

Montana Legislature
August 2002 Special Session
September 2002 Special Session

History And Final Status Of Bills And Resolutions
Laws Of Montana (Session Laws)
Montana Code Annotated
General Index

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AUGUST 2002 SPECIAL SESSION

Held at Helena, the Seat of Government, August 5-10, 2002

SEPTEMBER 2002 SPECIAL SESSION

Held at Helena, the Seat of Government, September 13, 2002

HISTORY AND FINAL STATUS OF BILLS AND RESOLUTIONS

LAWS OF MONTANA (SESSION LAWS)

MONTANA CODE ANNOTATED

Adopted by Chapter 1, Laws of 1979

GENERAL INDEX

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AUGUST 2002 AND SEPTEMBER 2002 SPECIAL SESSIONS VOLUME

Table of Contents

Officers and Members of the Montana Senate	1
Officers and Members of the Montana House of Representatives	3
August 2002 Special Session Material	
History and Final Status Section	
Sponsor List of Legislation	7
Grand Totals	10
Tally of Senate Bills	11
Senate Bills and Resolutions	12
Tally of House Bills	23
House Bills and Resolutions	24
Laws and Resolutions of the State of Montana (Session Law Chapters) Section	
Chapters 1- 24	39
Resolutions	179
Tables	
Senate Bill Number to Chapter Number	185
House Bill Number to Chapter Number	185
Chapter Number to Bill Number	185
Effective Dates by Chapter Number	185
Effective Dates by Date	186
Session Law to Code	186
Montana Code Annotated Section	
Code Sections Affected List	191
Session Laws Affected List	192
Montana Code Annotated Updated Section Text	193
September 2002 Special Session Material	
History and Final Status	257
Laws of the State of Montana (Session Law Chapters)	
Chapter 1	257
Session Law to Code Table	309
Session Laws Affected Table	309
General Index Section	313

OFFICERS AND MEMBERS OF THE MONTANA SENATE 2002

50 Members

31 Republicans

19 Democrats

OFFICERS

President	Tom Beck
President Pro Tempore	Walt McNutt
Majority Floor Leader	Fred Thomas
Minority Floor Leader	Steve Doherty
Minority Whips	Linda Nelson, Jon Tester
Secretary of the Senate	Rosana Skelton

MEMBERS

<u>Name</u>	<u>Preferred Mailing Address</u>	<u>Dist. No.</u>	<u>Party</u>
Beck, Tom	792 Yellowstone Trl, Deer Lodge MT 59722-8704	28	R
Berry, Dorothy	852 Ponderosa Dr, Hamilton MT 59840-9121	30	R
Bishop, Al	3020 Leeann Blvd, Billings MT 59102-0442	09	R
Bohlinger, John	2233 Remington Sq, Billings MT 59102-2489	07	R
Butcher, Edward B. 'Ed'	PO Box 89, Winifred MT 59489-0089	47	R
Christiaens, B.F. 'Chris'	PO Box 2871, Great Falls MT 59403-2871	23	D
Cobb, John	PO Box 388, Augusta MT 59410-0388	25	R
Cocchiarella, Vicki	535 Livingston Ave, Missoula MT 59801-8003	32	D
Cole, Mack	PO Box 286, Hysham MT 59038-0286	04	R
Crismore, William S. 'Bill'	237 Airfield Rd, Libby MT 59923-8600	41	R
DePratu, Bob	PO Box 1217, Whitefish MT 59937-1217	40	R
Doherty, Steve	1531 3rd Ave SW, Great Falls MT 59404-2715	24	D
Ekegren, E.P. 'Pete'	PO Box 862, Choteau MT 59422-0862	44	R
Ellingson, Jon	430 Ryman St, Missoula MT 59802-4249	33	D
Elliott, Jim	100 Trout Creek Rd, Trout Creek MT 59874-9609	36	D
Ellis Jr., Alvin A.	HC 50 Box 4840, Red Lodge MT 59068-9724	12	R
Franklin, Eve	2707 Dawn Dr, Great Falls MT 59404-3633	21	D
Glaser, Wm. E 'Bill'	1402 Indian Creek Rd, Huntley MT 59037	08	R
Grimes, Duane	4 Hole In The Wall, Clancy MT 59634-9516	20	R
Grosfield, Lorents	285 Grosfield Ln, Big Timber MT 59011-7724	13	R
Halligan, Mike	PO Box 9121, Missoula MT 59807-9121	34	D
Hargrove, Don	PO Box 1, Belgrade MT 59714-0001	16	R
Harrington, Dan W.	1201 N Excelsior Ave, Butte MT 59701-8505	19	D
Holden, Ric	164 Road 253, Glendive MT 59330-9438	01	R
Jergeson, Greg	PO Box 1568, Chinook MT 59523-1568	46	D
Johnson, Royal C.	2915 Illinois St, Billings MT 59102-0814	05	R
Keenan, Bob	PO Box 697, Bigfork MT 59911-0697	38	R
Kitzenberg, Sam	130 Bonnie St Apt 1, Glasgow MT 59230-2101	48	R
Mahlum, Dale	10955 US Highway 93 N, Missoula MT 59808-9227	35	R
McCarthy, Bea	1906 Ogden St, Anaconda MT 59711-1706	29	D
McNutt, Walter L.	110 12th Ave SW, Sidney MT 59270-3614	50	R
Miller, Ken	PO Box 186, Laurel MT 59044-0186	11	R
Mohl, Arnie A.	3303 US Highway 2 E, Kalispell MT 59901-6680	39	R
Nelson, Linda J.	469 Griffin Rd, Medicine Lake MT 59247-9708	49	D
O'Neil, Jerry	985 Walsh Rd, Columbia Falls MT 59912-9044	42	R
Pease, Gerald	PO Box 556, Lodge Grass MT 59050-0556	03	D
Roush, Glenn A.	PO Box 185, Cut Bank MT 59427-0185	43	D
Ryan, Don	2101 7th Ave S, Great Falls MT 59405-2821	22	D
Shea, Debbie	100 Moon Ln, Butte MT 59701-3975	18	D
Sprague, Mike	174 Erickson Ct S, Billings MT 59105-2347	06	R

Stapleton, Corey	3614 Crater Lake Ave, Billings MT 59102-7732	10	R
Stonington, Emily	15042 Kelly Canyon Rd, Bozeman MT 59715-9625	15	D
Tash, Bill	240 Vista Dr, Dillon MT 59725-3111	17	R
Taylor, Mike	PO Box 152, Proctor MT 59929-0152	37	R
Tester, Jon	709 Son Ln, Big Sandy MT 59520-8443	45	D
Thomas, Fred	3566 Holly Ln, Stevensville MT 59870-6634	31	R
Toole, Ken	PO Box 1462, Helena MT 59624-1462	27	D
Waterman, Mignon	530 Hazelgreen Ct, Helena MT 59601-5410	26	D
Wells, Jack	150 Coulee Dr, Bozeman MT 59715-7717	14	R
Zook, Tom	HC 40, Miles City MT 59301-9806	02	R

OFFICERS AND MEMBERS OF THE MONTANA HOUSE OF REPRESENTATIVES 2002

100 Members

57 Republicans

1 Independent

42 Democrats

OFFICERS

Speaker	Dan McGee
Speaker Pro Tempore	Doug Mood
Majority Floor Leader	Roy Brown
Majority Whip	Cindy Younkin
Minority Floor Leader	Kim Gillan
Minority Whip	George Golie
Chief Clerk of the House	Marilyn Miller

MEMBERS

<u>Name</u>	<u>Preferred Mailing Address</u>	<u>Dist. No.</u>	<u>Party</u>
Andersen, Joan	RR 1 Box 1012, Fromberg MT 59029-9701	23	R
Bales, Keith	HC 39 Box 33, Otter MT 59062-9703	01	R
Balyeat, Joe	6909 Rising Eagle Rd, Bozeman MT 59715-8621	32	R
Barrett, Debby	17600 MT Highway 324, Dillon MT 59725-9657	34	R
Bitney, Rod	PO Box 10501, Kalispell MT 59904-0501	77	R
Bixby, Norma	PO Box 1165, Lame Deer MT 59043-1165	05	D
Bookout-Reinicke, Sylvia	PO Box 327, Alberton MT 59820-0327	71	R
Branae, Gary	415 Yellowstone Ave, Billings MT 59101-1730	17	D
Brown, Dee L.	PO Box 444, Hungry Horse MT 59919-0444	83	R
Brown, Roy	PO Box 22273, Billings MT 59104-2273	14	R
Brueggeman, John	321 Lakeview Dr, Polson MT 59860-9317	74	R
Buzzas, Rosalie 'Rosie'	233 University Ave, Missoula MT 59801-4351	65	D
Callahan, T.M. 'Tim'	3409 5th Ave S, Great Falls MT 59405-3543	43	D
Carney, Eileen	PO Box 1193, Libby MT 59923-1193	82	D
Clancy, Gilda	PO Box 6696, Helena MT 59604-6696	51	R
Clark, Edith J.	PO Box 34, Sweetgrass MT 59484-0034	88	R
Clark, Paul	20 Fox Ln, Trout Creek MT 59874-9510	72	D
Curtiss, Aubyn	PO Box 216, Fortine MT 59918-0216	81	R
Cyr, Larry	1260 W Aluminum St, Butte MT 59701-2102	37	D
Dale, Rick	PO Box 262, Twin Bridges MT 59754-0262	39	R
Davies, Bob	871 Bozeman Trail Rd, Bozeman MT 59715-6674	27	R
Dell, Tom	617 Pinehurst Rd, Billings MT 59105-3550	19	D
Devlin, Ronald R.	PO Box 186, Terry MT 59349-0186	03	R
Eggers, Bill	PO Box 1000, Crow Agency MT 59022-1000	06	D
Erickson, Ron	3250 Pattee Canyon Rd, Missoula MT 59803-1703	64	D
Esp, John	PO Box 1024, Big Timber MT 59011-1024	25	R
Everett, George	1344 Helena Flats Rd, Kalispell MT 59901-6548	84	R
Facey, Tom	418 Plymouth St, Missoula MT 59801-4133	67	D
Fisher, Stanley M.	76 Golf Terrace Dr, Bigfork MT 59911-6252	75	R
Forrester, Gary L.	2527 Gardiner St, Billings MT 59101-6702	16	D
Fritz, Nancy Rice	1817 Daniel Dr, Missoula MT 59802-4926	69	D
Fuchs, Daniel C.	2031 Clubhouse Way #3, Billings MT 59105-3428	15	R
Gallik, Dave	120 E Lyndale Ave, Helena MT 59601-2911	52	D
Gallus, Steve	2319 Harvard Ave, Butte MT 59701-3854	35	D
Galvin-Halcro, Kathleen	101 Riverview Dr E, Great Falls MT 59404-1547	48	D
Gillan, Kim	750 Judicial Ave, Billings MT 59105-2130	11	D
Golie, George	316 20th Ave S, Great Falls MT 59405-4131	44	D
Gutsche, Gail	1530 Cooper St, Missoula MT 59802-2220	66	D
Haines, Dick	5935 St Francis Dr, Missoula MT 59803-2945	63	R

Harris, Christopher	519 N Black Ave, Bozeman MT 59715-3612	30	D
Hedges, Donald L.	70 Singletree Rd, Antelope MT 59211	97	R
Himmelberger, Dennis	PO Box 22272, Billings MT 59104-2272	18	R
Holden, Linda L.	170 Dupuyer Cutoff, Valier MT 59486-5256	86	R
Hurdle, Joan	PO Box 1991, Billings MT 59103-1991	13	D
Jackson, Verdell	555 Wagner Ln, Kalispell MT 59901-8079	79	R
Jacobson, Hal	4813 US Highway 12 W, Helena MT 59601-9694	54	D
Jayne, Joey	299 Lumpry Rd, Arlee MT 59821-9747	73	D
Jent, Larry	506 E Babcock St, Bozeman MT 59715-4714	29	D
Juneau, Carol C.	128 9th Ave SE, Browning MT 59417	85	D
Kasten, Dave	HC 77 Box A-14, Brockway MT 59214-9701	99	R
Kaufmann, Christine	PO Box 1566, Helena MT 59624-1566	53	D
Keane, Jim	2131 Wall St, Butte MT 59701-5527	36	D
Keating, Tom	2003 Willowbrook Way, Billings MT 59102-2627	10	R
Laible, Rick	529 Moose Hollow Rd, Victor MT 59875-9303	59	R
Laslovich, Jesse	112 Mountain View St, Anaconda MT 59711-1616	57	D
Laszloffy, Jeff	3165 Highway 212 S, Laurel MT 59044-8911	22	R
Lawson, Bob	PO Box 686, Whitefish MT 59937-0686	80	R
Lee, Michelle	213 W Geyser St, Livingston MT 59047-3412	26	D
Lehman, Larry R.	PO Box 184, Power MT 59468-0184	87	R
Lenhart, Ralph L.	PO Box 1225, Glendive MT 59330-1225	02	D
Lewis, Dave	5871 Collins Rd, Helena MT 59602-9584	55	R
Lindeen, Monica J.	1626 Heath St, Huntley MT 59037-9137	07	D
Mangan, Jeff	PO Box 1196, Great Falls MT 59403-1196	45	D
Masolo, Gay Ann	20 Buck Dr, Townsend MT 59644-9651	40	R
Matthews, Gary	1708 Main St, Miles City MT 59301-3652	04	D
McCann, Matt	PO Box 1093, Harlem MT 59526-1093	92	D
McGee, Daniel W. 'Dan'	1925 Pinyon Dr, Laurel MT 59044-9381	21	R
McKenney, Joe	1140 18th Ave SW, Great Falls MT 59404-3426	49	R
Mood, Doug	PO Box 42, Seeley Lake MT 59868-0042	58	R
Musgrove, John L.	810 8th St, Havre MT 59501-4127	91	D
Newman, Brad	514 N Henry Ave, Butte MT 59701-8720	38	D
Noennig, Mark E.	3441 Powderhorn Cir, Billings MT 59102-0332	09	R
Olson, Alan	18 Halfbreed Creek Rd, Roundup MT 59072-6524	08	R
Pattison, Jeff	123 Cain Rd, Glasgow MT 59230	95	R
Peterson, Jim	RR 1 Box 2, Buffalo MT 59418-9501	94	R
Peterson, Ken	424 48th St W, Billings MT 59106-2306	20	R
Raser, Holly	4304 Spurgin Rd, Missoula MT 59804-4520	70	D
Rice, Diane	PO Box 216, Harrison MT 59735-0216	33	R
Ripley, Rick	8920 MT Highway 200, Wolf Creek MT 59648-8639	50	R
Rome, Allen	748 Dana Ln, Garrison MT 59731-9737	56	R
Schmidt, Trudi	4029 6th Ave S, Great Falls MT 59405-3746	42	D
Schrumpf, Clarice	1546 Hawthorne Ln, Billings MT 59105-1802	12	R
Shockley, Jim	PO Box 608, Victor MT 59875-0608	61	R
Sinrud, John	284 Frontier Dr, Bozeman MT 59718-7975	31	R
Sliter, Elaine	PO Box 118, Somers MT 59932-0118	76	R
Smith, Frank J.	PO Box 729, Poplar MT 59255-0729	98	D
Somerville, Roger	PO Box 1104, Kalispell MT 59903-1104	78	R
Steinbeisser, Donald	RR 1 Box 3400, Sidney MT 59270-9620	100	R
Story Jr., Robert R.	133 Valley Creek Rd, Park City MT 59063-8040	24	R
Thomas, Bill	HC 81 Box 7, Hobson MT 59452-9701	93	R
Tramelli, Brett	204 Smelter Ave NW, Great Falls MT 59404-1852	46	D
Tropila, Joseph 'Joe'	209 2nd St NW, Great Falls MT 59404-1301	47	D
Waddill, Butch	PO Box 1357, Florence MT 59833-1357	62	I
Waitschies, Karl A.	PO Box A-18, Peerless MT 59253	96	R
Walters, Allan	416 Grantsdale Rd, Hamilton MT 59840-3335	60	R
Wanzenried, David E.	903 Sky Dr, Missoula MT 59804-3121	68	D
Whitaker, James G.	4020 5th Ave S, Great Falls MT 59405-3640	41	R
Witt, John E.	2555 Russell Rd, Carter MT 59420-8230	89	R
Wolery, Merlin	HC 75 Box 70, Rudyard MT 59540-9707	90	R
Younkin, Cindy	1115 N Spruce Dr, Bozeman MT 59715-5948	28	R

**HISTORY AND FINAL STATUS
OF BILLS AND RESOLUTIONS**

AUGUST 2002 SPECIAL SESSION

SPONSOR LIST OF LEGISLATION

BALYEAT, JOE

HB 10 HB 21 HB 24

BOHLINGER, JOHN

SB 12

BOOKOUT-REINICKE, SYLVIA

HB 6 HB 14

BROWN, DEE

HB 16

BUZZAS, ROSALIE (ROSIE)

HB 15

CHRISTIAENS, CHRIS

SB 17 SB 18 SB 26

COBB, JOHN

SB 1 SB 6 SB 8 SB 9 SB 10 SB 11 SB 15

COCCHIARELLA, VICKI

SB 29

DEPARTMENT OF JUSTICE

SB 17

DEVLIN, RONALD

HJ 1

DOHERTY, STEVE

SB 19 SB 22 SB 28

ELLINGSON, JON

SB 16

ELLIOTT, JIM

SB 23

FISHER, STANLEY (STAN)

HB 9

GLASER, BILL

SB 30

GROSFIELD, LORENTS

SR 1

HAINES, DICK

HB 11

HARGROVE, DON
SR 2 SR 3 SR 4

HARRINGTON, DAN
SB 4 SB 13

HARRIS, CHRISTOPHER
HB 30

HOUSE APPROPRIATIONS STANDING COMMITTEE
HB 22

JOHNSON, ROYAL
SB 7

KASTEN, DAVE
HB 3 HB 4 HB 12

KITZENBERG, SAM
SB 5

LEWIS, DAVE
HB 1 HB 2 HB 5 HB 7 HB 8 HB 13 HB 22 HB 28

MANGAN, JEFF
HB 33

O'NEIL, JERRY
SB 24 SB 25

OFFICE OF BUDGET AND PROGRAM PLANNING
HB 2 HB 3 HB 4 HB 5 HB 6 HB 7 HB 8 HB 9 HB 10
HB 11 HB 12 HB 18 SB 1 SB 2 SB 3

OLSON, ALAN
HB 31 HB 32

RYAN, DON
SB 20

SHOCKLEY, JIM
HB 25

SINRUD, JOHN
HB 27 HB 29

SPRAGUE, MIKE
SB 31

STAPLETON, COREY
SB 27

STATE COMPENSATION INSURANCE FUND
SR 2

STONINGTON, EMILY
SB 14

STORY, BOB
HB 18

TOOLE, KEN
SB 21

WADDILL, BUTCH
HB 17 HB 19 HB 20 HB 23 HB 26

ZOOK, TOM
SB 2 SB 3

GRAND TOTALS

INTRODUCED

House.....	34
Senate.....	35
Total.....	69

VOTED DOWN IN FIRST HOUSE (on 2nd or 3rd reading)

House.....	3
Senate.....	3
Total.....	6

DIED IN FIRST HOUSE (includes tabled bills and bills that failed to meet transmittal deadlines)

House.....	12
Senate.....	19
Total.....	31

VOTED DOWN IN SECOND HOUSE (on 2nd or 3rd reading)

House.....	0
Senate.....	0
Total.....	0

DIED IN SECOND HOUSE (includes tabled bills and bills with adopted adverse committee reports)

House.....	2
Senate.....	1
Total.....	3

DIED IN CONFERENCE COMMITTEE PROCESS (includes bills that were returned with second house amendments and eligible for conference committee)

House.....	0
Senate.....	0
Total.....	0

PASSED BY LEGISLATURE

House.....	17
Senate.....	12
Total.....	29

VETOED (NOT OVERRIDDEN)

House.....	0
Senate.....	0
Total.....	0

ADOPTED; SIGNED INTO LAW; FILED AS SESSION LAW*

House.....	17
Senate.....	12
Total.....	29

*Note that this category includes adopted resolutions and bills passed by the legislature that did not require the governor’s signature.

TALLY OF SENATE BILLS

INTRODUCED

Senate Bills	31
Senate Joint Resolutions	0
Senate Resolutions	4
Total.	35

VOTED DOWN IN FIRST HOUSE (on 2nd or 3rd reading)

Senate Bills	3
Total.	3

DIED IN FIRST HOUSE (includes tabled bills and bills that failed to meet transmittal deadlines)

Senate Bills	19
Total.	19

VOTED DOWN IN SECOND HOUSE (on 2nd or 3rd reading)

Senate Bills	0
Total.	0

DIED IN SECOND HOUSE (includes tabled bills and bills with adopted adverse committee reports)

Senate Bills	1
Total.	1

DIED IN CONFERENCE COMMITTEE PROCESS (includes bills that were returned with second house amendments and eligible for conference committee)

Senate Bills	0
Total.	0

PASSED BY LEGISLATURE

Senate Bills	8
Senate Resolutions	4
Total.	12

VETOED (NOT OVERRIDDEN)

Senate Bills	0
Total.	0

ADOPTED; SIGNED INTO LAW; FILED AS SESSION LAW*

Senate Bills	8
Senate Resolutions	4
Total.	12

*Note that this category includes adopted resolutions and bills passed by the legislature that did not require the governor's signature.

SENATE BILLS AND RESOLUTIONS

SB 1	INTRODUCED BY COBB	LC0037 DRAFTER: LANE
	CHANGING FUNDING OF ALCOHOL AND CHEMICAL DEPENDENCY PROGRAMS	
	BY REQUEST OF OFFICE OF BUDGET AND PROGRAM PLANNING	
	7/17 INTRODUCED	
	7/18 FISCAL NOTE REQUESTED	
	7/23 REFERRED TO TAXATION	
	7/25 FISCAL NOTE RECEIVED	
	7/30 HEARING	
	7/30 FISCAL NOTE SIGNED	
	7/30 COMMITTEE EXECUTIVE ACTION—BILL PASSED AS AMENDED	9 0
	7/31 FISCAL NOTE PRINTED	
	8/05 FIRST READING	
	8/05 COMMITTEE REPORT—BILL PASSED AS AMENDED	
	8/05 2ND READING PASSED ON VOICE VOTE	48 0
	8/06 3RD READING PASSED	48 0
	TRANSMITTED TO HOUSE	
	8/06 REFERRED TO APPROPRIATIONS	
	8/08 HEARING	
	8/08 COMMITTEE EXECUTIVE ACTION—BILL CONCURRED	17 0
	8/08 COMMITTEE REPORT—BILL CONCURRED	
	8/08 2ND READING CONCURRED	100 0
	8/08 3RD READING CONCURRED	98 0
	RETURNED TO SENATE	
	8/08 SENT TO ENROLLING	
	8/08 RETURNED FROM ENROLLING	
	8/08 SIGNED BY PRESIDENT	
	8/19 SIGNED BY SPEAKER	
	8/19 TRANSMITTED TO GOVERNOR	
	8/21 SIGNED BY GOVERNOR	
	8/21 CHAPTER NUMBER ASSIGNED	
	CHAPTER NUMBER 21	
	EFFECTIVE DATE: 8/21/2002 - ALL SECTIONS	
SB 2	INTRODUCED BY ZOOK	LC0044 DRAFTER: HEIMAN
	ELIMINATING THE INCREASE IN LIQUOR STORE COMMISSION RATES ENACTED IN 2001	
	BY REQUEST OF OFFICE OF BUDGET AND PROGRAM PLANNING	
	7/22 INTRODUCED	
	7/22 FISCAL NOTE REQUESTED	
	7/23 REFERRED TO TAXATION	
	7/30 FISCAL NOTE RECEIVED	
	7/30 HEARING	
	7/30 COMMITTEE EXECUTIVE ACTION—BILL PASSED	5 4
	7/31 FISCAL NOTE PRINTED	
	8/05 FIRST READING	
	8/05 COMMITTEE REPORT—BILL PASSED	
	8/05 2ND READING PASSED	26 22
	8/06 3RD READING PASSED	26 22
	TRANSMITTED TO HOUSE	
	8/06 REFERRED TO APPROPRIATIONS	
	DIED IN STANDING COMMITTEE	
SB 3	INTRODUCED BY ZOOK	LC0036 DRAFTER: MCCLURE
	SCHOOL BASE BUDGET — REDUCE DIRECT AID — INCREASE GUARANTEED TAX BASE AID	
	BY REQUEST OF OFFICE OF BUDGET AND PROGRAM PLANNING	
	7/22 INTRODUCED	

7/22 FISCAL NOTE REQUESTED
 7/23 REFERRED TO TAXATION
 7/25 FISCAL NOTE RECEIVED
 7/31 FISCAL NOTE PRINTED
 8/05 FIRST READING
 DIED IN PROCESS

SB 4 INTRODUCED BY HARRINGTON

LC0001 DRAFTER: HEIMAN

ACCOMMODATIONS AND RENTAL CAR TAX FOR EDUCATIONAL/GENERAL FUNDING

7/23 INTRODUCED
 7/23 FIRST READING
 7/23 REFERRED TO TAXATION
 7/24 FISCAL NOTE REQUESTED
 7/30 FISCAL NOTE RECEIVED
 7/30 FISCAL NOTE SIGNED
 7/30 HEARING
 7/31 FISCAL NOTE PRINTED
 8/09 TABLED IN COMMITTEE
 DIED IN STANDING COMMITTEE

SB 5 INTRODUCED BY KITZENBERG

LC0049 DRAFTER: MCCLURE

ESTABLISH EMPLOYER/EMPLOYEE TAX FOR GENERAL FUND

7/23 INTRODUCED
 7/24 FISCAL NOTE REQUESTED
 7/29 REFERRED TO TAXATION
 8/05 FISCAL NOTE RECEIVED
 8/05 FIRST READING
 8/07 FISCAL NOTE PRINTED
 DIED IN STANDING COMMITTEE

SB 6 INTRODUCED BY COBB

LC0009 DRAFTER: HEIMAN

LIMIT SPECIAL TANF AUTHORITY/APPROP. FROM 2001 SESSION

7/24 INTRODUCED
 7/24 FISCAL NOTE REQUESTED
 7/30 REFERRED TO TAXATION
 7/30 FISCAL NOTE RECEIVED
 7/30 FISCAL NOTE SIGNED
 7/31 FISCAL NOTE PRINTED
 8/05 FIRST READING
 8/06 HEARING
 8/06 COMMITTEE EXECUTIVE ACTION—BILL PASSED AS AMENDED 8 0
 8/06 COMMITTEE REPORT—BILL PASSED AS AMENDED
 8/07 2ND READING PASSED ON VOICE VOTE 48 0
 8/07 3RD READING PASSED 47 0

TRANSMITTED TO HOUSE
 8/07 REFERRED TO APPROPRIATIONS
 8/08 HEARING
 8/08 COMMITTEE EXECUTIVE ACTION—BILL CONCURRED 18 0
 8/08 COMMITTEE REPORT—BILL CONCURRED
 8/08 2ND READING CONCURRED 100 0
 8/08 3RD READING CONCURRED 100 0

RETURNED TO SENATE
 8/08 SENT TO ENROLLING
 8/09 RETURNED FROM ENROLLING
 8/10 SIGNED BY PRESIDENT
 8/19 SIGNED BY SPEAKER
 8/19 TRANSMITTED TO GOVERNOR
 8/20 SIGNED BY GOVERNOR
 8/20 CHAPTER NUMBER ASSIGNED
 CHAPTER NUMBER 15
 EFFECTIVE DATE: 8/20/2002 - ALL SECTIONS

- SB 7** INTRODUCED BY R. JOHNSON *LC0004 DRAFTER: B. CAMPBELL*
BORROW \$50 MILLION FROM COAL SEVERANCE TAX TRUST FUND UNTIL 2003 SESSION
 7/24 INTRODUCED
 7/25 FISCAL NOTE REQUESTED
 7/30 REFERRED TO TAXATION
 8/05 FIRST READING
 8/05 HEARING
 8/06 FISCAL NOTE RECEIVED
 8/07 FISCAL NOTE SIGNED
 8/07 FISCAL NOTE PRINTED
 8/09 TABLED IN COMMITTEE
 DIED IN STANDING COMMITTEE
- SB 8** INTRODUCED BY COBB *LC0033 DRAFTER: HEIMAN*
TEMPORARY CIGARETTE TAX TO FUND SOCIAL SERVICES
 7/24 INTRODUCED
 7/25 FISCAL NOTE REQUESTED
 7/30 REFERRED TO TAXATION
 8/05 FISCAL NOTE RECEIVED
 8/05 FIRST READING
 8/05 HEARING
 8/06 FISCAL NOTE PRINTED
 8/09 TABLED IN COMMITTEE
 DIED IN STANDING COMMITTEE
- SB 9** INTRODUCED BY COBB *LC0010 DRAFTER: LANE*
TRANSFER \$10M FY 03 FROM COAL TAX FUND TO GENERAL FUND & SCHOOLS
 7/25 INTRODUCED
 7/25 FISCAL NOTE REQUESTED
 7/29 FISCAL NOTE RECEIVED
 7/30 FISCAL NOTE SIGNED
 7/31 FISCAL NOTE PRINTED
 8/05 FIRST READING
 8/05 HEARING
 8/07 COMMITTEE EXECUTIVE ACTION—BILL PASSED AS AMENDED 5 3
 8/07 COMMITTEE REPORT—BILL PASSED AS AMENDED
 8/08 2ND READING PASSED AS AMENDED 26 22
 8/09 3RD READING FAILED 29 21
 DIED IN PROCESS
- SB 10** INTRODUCED BY COBB *LC0011 DRAFTER: HEIMAN*
SUSPEND INFLATION FACTOR FOR LOCAL GOV. REIMBURSEMENTS IN HB 124
 7/25 INTRODUCED
 7/25 FISCAL NOTE REQUESTED
 7/29 REFERRED TO TAXATION
 7/29 FISCAL NOTE RECEIVED
 7/30 FISCAL NOTE SIGNED
 7/31 FISCAL NOTE PRINTED
 8/05 FIRST READING
 8/05 HEARING
 8/05 TABLED IN COMMITTEE
 DIED IN STANDING COMMITTEE
- SB 11** INTRODUCED BY COBB *LC0069 DRAFTER: MACMASTER*
ALLOW CHARGING FEES FOR CERTAIN CHILD SUPPORT ENFORCEMENT SERVICES
 7/19 FISCAL NOTE NEEDED
 7/29 INTRODUCED
 7/30 REFERRED TO TAXATION
 7/30 FISCAL NOTE REQUESTED
 8/05 FIRST READING
 8/06 HEARING
 8/07 TABLED IN COMMITTEE

8/07 FISCAL NOTE RECEIVED
 8/08 FISCAL NOTE SIGNED
 8/08 FISCAL NOTE PRINTED
 DIED IN STANDING COMMITTEE

SB 12 INTRODUCED BY BOHLINGER

LC0050 DRAFTER: BOHYER

GENERAL TAX REVISION — CIGARETTES, LODGING, CAR RENTAL

7/29	INTRODUCED		
7/30	REFERRED TO TAXATION		
7/30	FISCAL NOTE REQUESTED		
8/05	FIRST READING		
8/06	FISCAL NOTE RECEIVED		
8/06	HEARING		
8/06	FISCAL NOTE SIGNED		
8/07	FISCAL NOTE PRINTED		
8/08	COMMITTEE EXECUTIVE ACTION—BILL PASSED	5	4
8/08	COMMITTEE REPORT—BILL PASSED		
8/10	2ND READING PASS AS AMENDED MOTION FAILED	13	36
8/10	2ND READING NOT PASSED AS AMENDED	36	13
	DIED IN PROCESS		

SB 13 INTRODUCED BY HARRINGTON

LC0084 DRAFTER: HEIMAN

CLARIFY TAXATION OF CERTAIN SOFTWARE AS INTANGIBLE PROPERTY

7/26 FISCAL NOTE NEEDED
 7/30 REFERRED TO TAXATION
 7/30 INTRODUCED
 7/30 FISCAL NOTE REQUESTED
 8/05 FIRST READING
 8/06 HEARING
 8/06 FISCAL NOTE RECEIVED
 8/07 TABLED IN COMMITTEE
 8/09 FISCAL NOTE PRINTED
 DIED IN STANDING COMMITTEE

SB 14 INTRODUCED BY STONINGTON

LC0074 DRAFTER: PETESCH

REVISE TRANSFERS OF FUNDS TO RESEARCH AND COMMERCIALIZATION

7/23 FISCAL NOTE NEEDED
 7/30 INTRODUCED
 7/31 FISCAL NOTE REQUESTED
 8/05 FIRST READING
 8/05 REFERRED TO FINANCE
 8/05 FISCAL NOTE RECEIVED
 8/05 FISCAL NOTE SIGNED
 8/06 FISCAL NOTE PRINTED
 8/06 HEARING
 8/09 TABLED IN COMMITTEE
 DIED IN STANDING COMMITTEE

SB 15 INTRODUCED BY COBB

LC0038 DRAFTER: HEIMAN

DECREASE THE QUALIFIED ENDOWMENT TAX CREDIT

8/02 FISCAL NOTE REQUESTED
 8/02 INTRODUCED
 8/05 FIRST READING
 8/05 REFERRED TO FINANCE
 8/06 FISCAL NOTE RECEIVED
 8/06 HEARING
 8/06 FISCAL NOTE SIGNED
 8/07 FISCAL NOTE PRINTED
 8/07 REVISED FISCAL NOTE REQUESTED
 8/07 REVISED FISCAL NOTE RECEIVED
 8/08 REVISED FISCAL NOTE SIGNED
 8/08 REVISED FISCAL NOTE PRINTED

8/09	COMMITTEE EXECUTIVE ACTION—BILL PASSED AS AMENDED	10	8
8/09	COMMITTEE REPORT—BILL PASSED AS AMENDED		
8/10	2ND READING PASSED AS AMENDED	25	22
8/10	3RD READING PASSED	25	22
	TRANSMITTED TO HOUSE		
8/10	REFERRED TO TAXATION		
8/10	HEARING		
8/10	TABLED IN COMMITTEE		
8/10	TAKEN FROM TABLE IN COMMITTEE		
8/10	COMMITTEE EXECUTIVE ACTION—BILL CONCURRED AS AMENDED	14	6
8/10	COMMITTEE REPORT—BILL CONCURRED AS AMENDED		
8/10	REVISED FISCAL NOTE REQUESTED		
8/10	REVISED FISCAL NOTE RECEIVED		
8/10	REVISED FISCAL NOTE SIGNED		
8/10	REVISED FISCAL NOTE PRINTED		
8/10	2ND READING CONCURRED AS AMENDED	54	46
8/10	3RD READING CONCURRED	53	47
	RETURNED TO SENATE WITH AMENDMENTS		
8/10	2ND READING HOUSE AMENDMENTS CONCURRED	33	13
8/10	3RD READING PASSED AS AMENDED BY HOUSE	31	15
8/10	SENT TO ENROLLING		
8/12	RETURNED FROM ENROLLING		
8/13	SIGNED BY PRESIDENT		
8/19	SIGNED BY SPEAKER		
8/19	TRANSMITTED TO GOVERNOR		
8/28	SIGNED BY GOVERNOR		
8/28	CHAPTER NUMBER ASSIGNED		
	CHAPTER NUMBER 24		
	EFFECTIVE DATE: 8/28/2002 - ALL SECTIONS		

SB 16 INTRODUCED BY ELLINGSON
REVISE BUSINESS EQUIPMENT TAX

LC0072 DRAFTER: MARTIN

7/22 FISCAL NOTE NEEDED
8/05 INTRODUCED
8/05 FIRST READING
8/05 REFERRED TO TAXATION
8/05 FISCAL NOTE REQUESTED
8/07 FISCAL NOTE RECEIVED
8/07 HEARING
8/08 FISCAL NOTE SIGNED
8/08 FISCAL NOTE PRINTED
8/09 TABLED IN COMMITTEE
DIED IN STANDING COMMITTEE

SB 17 INTRODUCED BY CHRISTIAENS
REVISE SEX OFFENDER REGISTRATION LAWS
BY REQUEST OF DEPARTMENT OF JUSTICE

LC0088 DRAFTER: PETESCH

8/02 FISCAL NOTE NEEDED
8/05 INTRODUCED
8/05 FISCAL NOTE REQUESTED
8/06 REFERRED TO JUDICIARY
8/06 HEARING
8/06 COMMITTEE EXECUTIVE ACTION—BILL PASSED AS AMENDED 9 0
8/06 COMMITTEE REPORT—BILL PASSED AS AMENDED
8/07 FISCAL NOTE RECEIVED
8/07 FISCAL NOTE SIGNED
8/07 FISCAL NOTE PRINTED
8/07 2ND READING PASSED ON VOICE VOTE 48 0
8/07 3RD READING PASSED 47 0

TRANSMITTED TO HOUSE
8/07 REFERRED TO JUDICIARY
8/09 HEARING

HISTORY AND FINAL STATUS

8/09	COMMITTEE EXECUTIVE ACTION—BILL CONCURRED	19	0
8/09	COMMITTEE REPORT—BILL CONCURRED		
8/09	2ND READING CONCURRED	87	13
8/09	3RD READING CONCURRED	85	15

RETURNED TO SENATE
 8/10 SENT TO ENROLLING
 8/10 RETURNED FROM ENROLLING
 8/10 SIGNED BY PRESIDENT
 8/19 SIGNED BY SPEAKER
 8/19 TRANSMITTED TO GOVERNOR
 8/21 SIGNED BY GOVERNOR
 8/21 CHAPTER NUMBER ASSIGNED
 CHAPTER NUMBER 22
 EFFECTIVE DATE: 8/21/2002 - ALL SECTIONS

SB 18 INTRODUCED BY CHRISTIAENS

LC0079 DRAFTER: MACMASTER

REDUCE PRISON POPULATION TO SAVE GENERAL FUND

7/24	FISCAL NOTE NEEDED		
8/05	INTRODUCED		
8/05	FISCAL NOTE REQUESTED		
8/06	REFERRED TO JUDICIARY		
8/07	FISCAL NOTE RECEIVED		
8/07	FISCAL NOTE SIGNED		
8/07	FISCAL NOTE PRINTED		
8/07	HEARING		
8/07	COMMITTEE EXECUTIVE ACTION—BILL PASSED AS AMENDED	8	0
8/07	COMMITTEE REPORT—BILL PASSED AS AMENDED		
8/09	2ND READING PASSED AS AMENDED ON VOICE VOTE	45	4
8/09	3RD READING PASSED	41	8

TRANSMITTED TO HOUSE			
8/09	REFERRED TO JUDICIARY		
8/10	HEARING		
8/10	REVISED FISCAL NOTE REQUESTED		
8/10	COMMITTEE EXECUTIVE ACTION—BILL CONCURRED	12	8
8/10	COMMITTEE REPORT—BILL CONCURRED		
8/10	REVISED FISCAL NOTE RECEIVED		
8/10	REVISED FISCAL NOTE SIGNED		
8/10	REVISED FISCAL NOTE PRINTED		
8/10	DIED IN STANDING COMMITTEE		

SB 19 INTRODUCED BY DOHERTY

LC0027 DRAFTER: MCCLURE

FUND TRANSFER FROM STATE FUND TO GENERAL FUND

8/06	INTRODUCED		
8/06	FISCAL NOTE REQUESTED		
8/06	REFERRED TO FINANCE		
8/07	HEARING		
8/08	TABLED IN COMMITTEE		
8/08	FISCAL NOTE RECEIVED		
8/08	FISCAL NOTE SIGNED		
8/09	FISCAL NOTE PRINTED		
8/10	TAKEN FROM COMMITTEE; PLACED ON 2ND READING	46	0
8/10	2ND READING PASSED AS AMENDED ON VOICE VOTE	46	0
8/10	3RD READING PASSED	44	2

TRANSMITTED TO HOUSE			
8/10	REFERRED TO APPROPRIATIONS		
8/10	HEARING		
8/10	COMMITTEE EXECUTIVE ACTION—BILL CONCURRED	17	1
8/10	COMMITTEE REPORT—BILL CONCURRED	17	1
8/10	2ND READING CONCURRED	89	11
8/10	3RD READING CONCURRED	88	12

RETURNED TO SENATE
 8/12 SENT TO ENROLLING

8/12 RETURNED FROM ENROLLING
 8/13 SIGNED BY PRESIDENT
 8/19 SIGNED BY SPEAKER
 8/19 TRANSMITTED TO GOVERNOR
 8/20 SIGNED BY GOVERNOR
 8/20 CHAPTER NUMBER ASSIGNED
 CHAPTER NUMBER 16
 EFFECTIVE DATE: 8/20/2002 - ALL SECTIONS

SB 20 INTRODUCED BY RYAN *LC0087 DRAFTER: MCCLURE*
 REQUIRE APPLICATION OF CASH REAPPROPRIATED TO BASE AID

7/31 FISCAL NOTE NEEDED
 8/06 INTRODUCED
 8/06 FISCAL NOTE REQUESTED
 8/06 REFERRED TO TAXATION
 8/08 FISCAL NOTE RECEIVED
 8/08 FISCAL NOTE SIGNED
 8/08 HEARING
 8/09 TABLED IN COMMITTEE
 8/09 FISCAL NOTE PRINTED
 DIED IN STANDING COMMITTEE

SB 21 INTRODUCED BY TOOLE *LC0029 DRAFTER: MARTIN*
 TAX FOR WATER USE THROUGH HYDROELECTRIC FACILITIES

8/06 INTRODUCED
 8/06 FISCAL NOTE REQUESTED
 8/06 REFERRED TO TAXATION
 8/08 FISCAL NOTE RECEIVED
 8/08 FISCAL NOTE SIGNED
 8/08 HEARING
 8/09 TABLED IN COMMITTEE
 8/09 FISCAL NOTE PRINTED
 DIED IN STANDING COMMITTEE

SB 22 INTRODUCED BY DOHERTY *LC0099 DRAFTER: PETESCH*
 DISALLOW CERTAIN CORPORATE BUSINESS DEDUCTIONS

8/05 FISCAL NOTE NEEDED
 8/07 INTRODUCED
 8/07 FISCAL NOTE REQUESTED
 8/07 REFERRED TO TAXATION
 8/08 FISCAL NOTE RECEIVED
 8/08 FISCAL NOTE SIGNED
 8/08 FISCAL NOTE PRINTED
 8/08 HEARING
 8/09 TABLED IN COMMITTEE
 DIED IN STANDING COMMITTEE

SB 23 INTRODUCED BY ELLIOTT *LC0089 DRAFTER: MCCLURE*
 TRANSFER % OF OLD FUND RESERVE ATTRIBUTABLE TO STATE PREMIUMS TO GENERAL
 FUND

8/02 FISCAL NOTE NEEDED
 8/07 INTRODUCED
 8/07 FISCAL NOTE REQUESTED
 8/07 REFERRED TO FINANCE
 8/07 HEARING
 8/07 REREFERRED TO TAXATION
 8/08 HEARING
 8/09 COMMITTEE EXECUTIVE ACTION—BILL PASSED
 8/09 COMMITTEE REPORT—BILL PASSED
 8/09 FISCAL NOTE RECEIVED
 8/09 FISCAL NOTE PRINTED
 8/09 REVISED FISCAL NOTE REQUESTED

44	3
5	4

HISTORY AND FINAL STATUS

8/10	REVISED FISCAL NOTE RECEIVED		
8/10	REVISED FISCAL NOTE PRINTED		
8/10	2ND READING PASS AS AMENDED MOTION FAILED	21	25
8/10	2ND READING NOT PASSED AS AMENDED DIED IN PROCESS	27	20

SB 24 INTRODUCED BY O'NEIL LC0097 DRAFTER: PETESCH

PROHIBIT MEDICAID FUNDING FOR CIRCUMCISIONS THAT ARE NOT MEDICALLY
NECESSARY

8/05 FISCAL NOTE NEEDED
8/07 INTRODUCED
8/07 FISCAL NOTE REQUESTED
8/07 REFERRED TO TAXATION
8/08 HEARING
8/08 FISCAL NOTE RECEIVED
8/08 FISCAL NOTE SIGNED
8/09 FISCAL NOTE PRINTED
DIED IN STANDING COMMITTEE

SB 25 INTRODUCED BY O'NEIL LC0098 DRAFTER: PETESCH

SANCTION CASH ASSISTANCE RECIPIENTS FOR CERTAIN VIOLATIONS

8/05 FISCAL NOTE NEEDED
8/07 INTRODUCED
8/07 REFERRED TO JUDICIARY
DIED IN STANDING COMMITTEE

SB 26 INTRODUCED BY CHRISTIAENS LC0078 DRAFTER: EVERTS

TRANSFER UNIVERSAL ACCESS FUNDS FROM PSC TO GENERAL FUND

8/07	INTRODUCED		
8/07	FISCAL NOTE REQUESTED		
8/07	REFERRED TO FINANCE		
8/08	HEARING		
8/08	COMMITTEE EXECUTIVE ACTION—BILL PASSED AS AMENDED	18	0
8/08	FISCAL NOTE RECEIVED		
8/08	FISCAL NOTE SIGNED		
8/08	COMMITTEE REPORT—BILL PASSED AS AMENDED		
8/09	2ND READING PASSED ON VOICE VOTE	49	0
8/09	FISCAL NOTE PRINTED		
8/09	3RD READING PASSED	49	0
8/09	REFERRED TO APPROPRIATIONS		

TRANSMITTED TO HOUSE

8/10	HEARING		
8/10	COMMITTEE EXECUTIVE ACTION—BILL CONCURRED	15	3
8/10	COMMITTEE REPORT—BILL CONCURRED	15	3
8/10	2ND READING CONCURRED	96	4
8/10	3RD READING CONCURRED	95	3

RETURNED TO SENATE

8/10 SENT TO ENROLLING
8/10 RETURNED FROM ENROLLING
8/10 SIGNED BY PRESIDENT
8/19 SIGNED BY SPEAKER
8/19 TRANSMITTED TO GOVERNOR
8/20 SIGNED BY GOVERNOR
8/20 CHAPTER NUMBER ASSIGNED

CHAPTER NUMBER 17

EFFECTIVE DATE: 8/20/2002 - ALL SECTIONS

SB 27 INTRODUCED BY STAPLETON LC0106 DRAFTER: PETESCH

REVISE MTAP PROGRAM PURPOSES TO INCLUDE MSDB

8/07 FISCAL NOTE NEEDED

8/07	INTRODUCED		
8/07	REFERRED TO FINANCE		
8/08	HEARING		
8/08	FISCAL NOTE REQUESTED		
8/08	COMMITTEE EXECUTIVE ACTION—BILL PASSED AS AMENDED	18	0
8/08	COMMITTEE REPORT—BILL PASSED AS AMENDED		
8/09	FISCAL NOTE RECEIVED		
8/09	FISCAL NOTE PRINTED		
8/09	2ND READING PASSED	46	2
8/09	3RD READING PASSED	48	1
TRANSMITTED TO HOUSE			
8/09	REFERRED TO APPROPRIATIONS		
8/10	HEARING		
8/10	COMMITTEE REPORT—BILL CONCURRED	16	2
8/10	COMMITTEE EXECUTIVE ACTION—BILL CONCURRED	16	2
8/10	2ND READING CONCURRED	99	0
8/10	3RD READING CONCURRED	100	0
RETURNED TO SENATE			
8/10	SENT TO ENROLLING		
8/10	RETURNED FROM ENROLLING		
8/10	SIGNED BY PRESIDENT		
8/19	SIGNED BY SPEAKER		
8/19	TRANSMITTED TO GOVERNOR		
8/20	SIGNED BY GOVERNOR		
8/20	CHAPTER NUMBER ASSIGNED		
	CHAPTER NUMBER 18		
	EFFECTIVE DATE: 8/20/2002 - ALL SECTIONS		

SB 28 INTRODUCED BY DOHERTY *LC0026 DRAFTER: HEIMAN*
 DECOUPLE STATE INCOME TAXES FROM FEDERAL ACCELERATED DEPRECIATION

8/07 INTRODUCED
 8/07 FISCAL NOTE REQUESTED
 8/07 REFERRED TO TAXATION
 8/09 FISCAL NOTE RECEIVED
 8/09 FISCAL NOTE SIGNED
 8/09 FISCAL NOTE PRINTED
 8/09 TABLED IN COMMITTEE
 8/09 HEARING
 DIED IN STANDING COMMITTEE

SB 29 INTRODUCED BY COCCHIARELLA *LC0059 DRAFTER: B. CAMPBELL*
 COVER SHORTFALL WITH COAL TAX TRUST LOAN REPAYED WITH \$.50 A PACK CIGARETTE TAX

8/08 INTRODUCED
 8/08 FISCAL NOTE REQUESTED
 8/08 REFERRED TO TAXATION
 8/09 HEARING
 8/10 FISCAL NOTE RECEIVED
 8/10 FISCAL NOTE SIGNED
 8/10 FISCAL NOTE PRINTED
 DIED IN STANDING COMMITTEE

SB 30 INTRODUCED BY GLASER *LC0107 DRAFTER: PETESCH*
 REVISE TIME OF PAYMENT OF METAL MINES LICENSE TAX

8/07	FISCAL NOTE NEEDED		
8/08	INTRODUCED		
8/08	FISCAL NOTE REQUESTED		
8/08	REFERRED TO TAXATION		
8/09	HEARING		
8/09	COMMITTEE EXECUTIVE ACTION—BILL PASSED AS AMENDED	8	0
8/09	COMMITTEE REPORT—BILL PASSED AS AMENDED		
8/09	FISCAL NOTE RECEIVED		

8/09	FISCAL NOTE SIGNED		
8/09	FISCAL NOTE PRINTED		
8/09	2ND READING PASSED AS AMENDED ON VOICE VOTE	49	0
8/09	3RD READING PASSED	49	0
	TRANSMITTED TO HOUSE		
8/10	REFERRED TO TAXATION		
8/10	COMMITTEE EXECUTIVE ACTION—BILL CONCURRED	16	4
8/10	COMMITTEE REPORT—BILL CONCURRED	16	4
8/10	2ND READING CONCURRED	89	10
8/10	3RD READING CONCURRED	89	11
	RETURNED TO SENATE		
8/10	SENT TO ENROLLING		
8/12	RETURNED FROM ENROLLING		
8/13	SIGNED BY PRESIDENT		
8/19	SIGNED BY SPEAKER		
8/19	TRANSMITTED TO GOVERNOR		
8/20	SIGNED BY GOVERNOR		
8/20	CHAPTER NUMBER ASSIGNED		
	CHAPTER NUMBER 19		
	EFFECTIVE DATE: 8/20/2002 - ALL SECTIONS		

SB 31

INTRODUCED BY SPRAGUE

LC0031 DRAFTER: BOHYER

GENERAL TAX REVISION: SEASONAL GENERAL SALES TAX FOR TAX REDUCTION

8/09	INTRODUCED
8/09	FISCAL NOTE REQUESTED
8/09	REFERRED TO TAXATION
8/10	HEARING
8/10	TABLED IN COMMITTEE
	DIED IN STANDING COMMITTEE

SR 1

INTRODUCED BY GROSFIELD

LC0075 DRAFTER: LANE

CONFIRM BRUCE LOBLE AS WATER JUDGE

7/26	INTRODUCED		
7/26	REFERRED TO JUDICIARY		
8/05	HEARING		
8/05	FIRST READING		
8/05	COMMITTEE EXECUTIVE ACTION—BILL PASSED	9	0
8/05	COMMITTEE REPORT—BILL PASSED		
8/05	RESOLUTION ADOPTED	48	0
8/05	SENT TO ENROLLING		
8/05	RETURNED FROM ENROLLING		
8/06	SIGNED BY PRESIDENT		
8/06	FILED WITH SECRETARY OF STATE		

SR 2

INTRODUCED BY HARGROVE

LC0092 DRAFTER: VANDENBOSCH

CONFIRM POWER PLANNING COUNCIL NOMINEES

BY REQUEST OF STATE COMPENSATION INSURANCE FUND

8/05	HEARING		
8/05	INTRODUCED		
8/06	REFERRED TO STATE ADMINISTRATION		
8/06	COMMITTEE EXECUTIVE ACTION—BILL PASSED	8	0
8/06	COMMITTEE REPORT—BILL PASSED		
8/07	RESOLUTION ADOPTED	48	0
8/07	SENT TO ENROLLING		
8/07	RETURNED FROM ENROLLING		
8/07	SIGNED BY PRESIDENT		
8/07	FILED WITH SECRETARY OF STATE		

SR 3

INTRODUCED BY HARGROVE

LC0093 DRAFTER: VANDENBOSCH

CONFIRM COMMISSIONER OF LABOR AND INDUSTRY

8/05	INTRODUCED		
8/06	REFERRED TO STATE ADMINISTRATION		
8/06	HEARING		
8/06	COMMITTEE EXECUTIVE ACTION—BILL PASSED	8	0
8/06	COMMITTEE REPORT—BILL PASSED		
8/07	RESOLUTION ADOPTED	48	0
8/07	SENT TO ENROLLING		
8/07	RETURNED FROM ENROLLING		
8/07	SIGNED BY PRESIDENT		
8/07	FILED WITH SECRETARY OF STATE		

SR 4 INTRODUCED BY HARGROVE

LC0094 DRAFTER: VANDENBOSCH

CONFIRM DIRECTOR OF DEPARTMENT OF ADMINISTRATION

8/05	INTRODUCED		
8/06	REFERRED TO STATE ADMINISTRATION		
8/06	HEARING		
8/06	COMMITTEE EXECUTIVE ACTION—BILL PASSED	8	0
8/06	COMMITTEE REPORT—BILL PASSED		
8/07	RESOLUTION ADOPTED	48	0
8/07	SENT TO ENROLLING		
8/07	RETURNED FROM ENROLLING		
8/07	SIGNED BY PRESIDENT		
8/07	FILED WITH SECRETARY OF STATE		

TALLY OF HOUSE BILLS

INTRODUCED

House Bills	33
House Joint Resolutions	1
House Resolutions	0
Total	34

VOTED DOWN IN FIRST HOUSE (on 2nd or 3rd reading)

House Bills	3
House Joint Resolutions	0
Total	3

DIED IN FIRST HOUSE (includes tabled bills and bills that failed to meet transmittal deadlines)

House Bills	12
House Joint Resolutions	0
Total	12

VOTED DOWN IN SECOND HOUSE (on 2nd or 3rd reading)

House Bills	0
House Joint Resolutions	0
Total	0

DIED IN SECOND HOUSE (includes tabled bills and bills with adopted adverse committee reports)

House Bills	2
House Joint Resolutions	0
Total	2

DIED IN CONFERENCE COMMITTEE PROCESS (includes bills that were returned with second house amendments and eligible for conference committee)

House Bills	0
House Joint Resolutions	0
Total	0

PASSED BY LEGISLATURE

House Bills	16
House Joint Resolutions	1
Total	12

VETOED (NOT OVERRIDDEN)

House Bills	0
Total	0

ADOPTED; SIGNED INTO LAW; FILED AS SESSION LAW*

House Bills	16
House Joint Resolutions	1
Total	17

*Note that this category includes adopted resolutions and bills passed by the legislature that did not require the governor’s signature.

HOUSE BILLS AND RESOLUTIONS

HB 1 INTRODUCED BY LEWIS

LC0013 DRAFTER: HEIMAN

FEED BILL

7/17	INTRODUCED		
7/17	REFERRED TO APPROPRIATIONS		
7/24	HEARING		
7/26	COMMITTEE EXECUTIVE ACTION—BILL PASSED	18	0
8/05	COMMITTEE REPORT—BILL PASSED		
8/05	2ND READING PASSED	83	17
8/06	3RD READING PASSED	74	26
	TRANSMITTED TO SENATE		
8/06	REFERRED TO FINANCE		
8/07	HEARING		
8/07	COMMITTEE EXECUTIVE ACTION—BILL CONCURRED	17	0
8/07	COMMITTEE REPORT—BILL CONCURRED		
8/09	2ND READING CONCURRED ON VOICE VOTE	48	1
8/09	3RD READING CONCURRED	47	2
	RETURNED TO HOUSE		
8/10	SENT TO ENROLLING		
8/10	RETURNED FROM ENROLLING		
8/10	SIGNED BY SPEAKER		
8/10	SIGNED BY PRESIDENT		
8/12	TRANSMITTED TO GOVERNOR		
8/13	SIGNED BY GOVERNOR		
8/13	CHAPTER NUMBER ASSIGNED		
	CHAPTER NUMBER 1		
	EFFECTIVE DATE: 8/13/2002 - ALL SECTIONS		

HB 2 INTRODUCED BY LEWIS

LC0014 DRAFTER: HEIMAN

REVISE CH. 572, L. 2001 (HB 2) — GENERAL APPROPRIATIONS ACT
BY REQUEST OF OFFICE OF BUDGET AND PROGRAM PLANNING

7/17	INTRODUCED		
7/17	REFERRED TO APPROPRIATIONS		
7/24	HEARING		
8/05	HEARING		
8/05	COMMITTEE EXECUTIVE ACTION—BILL PASSED AS AMENDED	12	5
8/06	2ND READING PASSED AS AMENDED	57	43
8/06	3RD READING PASSED	57	43
	TRANSMITTED TO SENATE		
8/07	REFERRED TO FINANCE		
8/07	HEARING		
8/09	COMMITTEE REPORT—BILL CONCURRED AS AMENDED		
8/09	2ND READING CONCURRED AS AMENDED	27	22
8/09	3RD READING CONCURRED	27	22
	RETURNED TO HOUSE WITH AMENDMENTS		
8/09	2ND READING SENATE AMENDMENTS NOT CONCURRED	100	0
8/09	FREE CONFERENCE COMMITTEE APPOINTED		
8/09	FREE CONFERENCE COMMITTEE APPOINTED		
8/11	FREE CONFERENCE COMMITTEE REPORT RECEIVED		
8/11	2ND READING FREE CONFERENCE COMMITTEE REPORT ADOPTED ON VOICE VOTE	45	1
8/11	3RD READING CONFERENCE COMMITTEE REPORT ADOPTED	30	16
8/11	2ND READING FREE CONFERENCE COMMITTEE REPORT ADOPTED	72	27
8/11	3RD READING CONFERENCE COMMITTEE REPORT ADOPTED	54	46
8/13	SENT TO ENROLLING		
8/15	RETURNED FROM ENROLLING		
8/19	SIGNED BY SPEAKER		
8/19	SIGNED BY PRESIDENT		

HISTORY AND FINAL STATUS

8/19 TRANSMITTED TO GOVERNOR
 8/26 SIGNED BY GOVERNOR
 8/26 CHAPTER NUMBER ASSIGNED
 CHAPTER NUMBER 23
 EFFECTIVE DATE: 7/01/2003 - ALL SECTIONS

HB 3 INTRODUCED BY KASTEN

LC0015 DRAFTER: HEIMAN

STATE EMPLOYEE PAY PLAN REDUCTION

BY REQUEST OF OFFICE OF BUDGET AND PROGRAM PLANNING

7/17 INTRODUCED		
7/17 REFERRED TO APPROPRIATIONS		
7/18 FISCAL NOTE REQUESTED		
7/23 FISCAL NOTE RECEIVED		
7/24 HEARING		
7/24 FISCAL NOTE PRINTED		
7/26 COMMITTEE EXECUTIVE ACTION—BILL PASSED AS AMENDED	12	6
8/05 COMMITTEE REPORT—BILL PASSED AS AMENDED		
8/05 2ND READING PASSED AS AMENDED	58	42
8/06 3RD READING PASSED	58	42
TRANSMITTED TO SENATE		
8/06 REFERRED TO FINANCE		
8/07 REREFERRED TO TAXATION	44	3
8/07 HEARING-		
8/07 COMMITTEE EXECUTIVE ACTION—BILL CONCURRED	5	4
8/07 COMMITTEE REPORT—BILL CONCURRED		
8/08 2ND READING CONCURRED AS AMENDED	26	22
8/08 RECONSIDERED PREVIOUS ACTION; PLACED ON 2ND READING	48	0
8/08 2ND READING CONCURRED AS AMENDED	27	21
8/09 3RD READING CONCURRED	27	22
RETURNED TO HOUSE WITH AMENDMENTS		
8/09 2ND READING PASSED AS AMENDED	57	43
8/09 3RD READING PASSED AS AMENDED BY SENATE	57	43
8/09 SENT TO ENROLLING		
8/09 RETURNED FROM ENROLLING		
8/10 SIGNED BY SPEAKER		
8/10 SIGNED BY PRESIDENT		
8/10 TRANSMITTED TO GOVERNOR		
8/13 SIGNED BY GOVERNOR		
8/13 CHAPTER NUMBER ASSIGNED		
CHAPTER NUMBER 2		
EFFECTIVE DATE: 8/13/2002 - ALL SECTIONS		

HB 4 INTRODUCED BY KASTEN

LC0016 DRAFTER: MCCLURE

REALLOCATE CERTAIN SCHOOL TIMBER MONEY

BY REQUEST OF OFFICE OF BUDGET AND PROGRAM PLANNING

7/17 INTRODUCED		
7/17 REFERRED TO APPROPRIATIONS		
7/18 FISCAL NOTE REQUESTED		
7/23 FISCAL NOTE RECEIVED		
7/24 HEARING		
7/24 FISCAL NOTE PRINTED		
7/26 COMMITTEE EXECUTIVE ACTION—BILL PASSED	10	8
8/05 COMMITTEE REPORT—BILL PASSED		
8/05 2ND READING PASSED	52	48
8/06 3RD READING PASSED	53	47
TRANSMITTED TO SENATE		
8/06 REFERRED TO FINANCE		
8/07 REREFERRED TO TAXATION	44	3
8/07 HEARING		
8/08 COMMITTEE EXECUTIVE ACTION—BILL CONCURRED	5	4
8/08 COMMITTEE REPORT—BILL CONCURRED		

8/09	2ND READING CONCURRED	26	23
8/09	3RD READING CONCURRED	27	22

RETURNED TO HOUSE

8/10 SENT TO ENROLLING
 8/10 RETURNED FROM ENROLLING
 8/10 SIGNED BY SPEAKER
 8/10 SIGNED BY PRESIDENT
 8/12 TRANSMITTED TO GOVERNOR
 8/13 SIGNED BY GOVERNOR
 8/13 CHAPTER NUMBER ASSIGNED

CHAPTER NUMBER 3

EFFECTIVE DATE: 8/13/2002 - ALL SECTIONS

HB 5 INTRODUCED BY LEWIS

LC0017 DRAFTER: CAMPBELL

REVISE TRANSFERS OF FUNDS IN RESEARCH, COMMERCIALIZATION, AND DEPT. OF TRANS.

BY REQUEST OF OFFICE OF BUDGET AND PROGRAM PLANNING

7/17	INTRODUCED		
7/17	REFERRED TO APPROPRIATIONS		
7/18	FISCAL NOTE REQUESTED		
7/23	FISCAL NOTE RECEIVED		
7/23	FISCAL NOTE SIGNED		
7/24	HEARING		
7/24	FISCAL NOTE PRINTED		
7/25	COMMITTEE EXECUTIVE ACTION—BILL PASSED AS AMENDED	11	7
8/05	COMMITTEE REPORT—BILL PASSED AS AMENDED		
8/05	2ND READING PASSED	59	41
8/06	3RD READING PASSED	60	40

TRANSMITTED TO SENATE

8/06	REFERRED TO FINANCE		
8/07	HEARING		
8/09	COMMITTEE EXECUTIVE ACTION—BILL CONCURRED	12	6
8/09	COMMITTEE REPORT—BILL CONCURRED		
8/09	2ND READING CONCURRED	26	23
8/09	3RD READING CONCURRED	26	23

RETURNED TO HOUSE

8/10 SENT TO ENROLLING
 8/10 RETURNED FROM ENROLLING
 8/10 SIGNED BY SPEAKER
 8/10 SIGNED BY PRESIDENT
 8/12 TRANSMITTED TO GOVERNOR
 8/16 SIGNED BY GOVERNOR
 8/16 CHAPTER NUMBER ASSIGNED

CHAPTER NUMBER 9

EFFECTIVE DATE: 8/16/2002 - ALL SECTIONS

HB 6 INTRODUCED BY BOOKOUT-REINICKE

LC0019 DRAFTER: HEIMAN

CHANGE STATE VEHICLE MILEAGE ALLOWANCE

BY REQUEST OF OFFICE OF BUDGET AND PROGRAM PLANNING

7/17	INTRODUCED		
7/17	REFERRED TO APPROPRIATIONS		
7/18	FISCAL NOTE REQUESTED		
7/23	FISCAL NOTE RECEIVED		
7/24	HEARING		
7/24	FISCAL NOTE PRINTED		
7/26	COMMITTEE EXECUTIVE ACTION—BILL PASSED	18	0
8/05	COMMITTEE REPORT—BILL PASSED		
8/05	2ND READING PASSED AS AMENDED	95	5
8/06	3RD READING PASSED	95	5

TRANSMITTED TO SENATE

8/06 REFERRED TO FINANCE

HISTORY AND FINAL STATUS

8/07	HEARING		
8/07	COMMITTEE EXECUTIVE ACTION—BILL CONCURRED	18	0
8/07	COMMITTEE REPORT—BILL CONCURRED		
8/08	2ND READING CONCURRED ON VOICE VOTE	48	0
8/09	3RD READING CONCURRED	49	0

RETURNED TO HOUSE
 8/09 SENT TO ENROLLING
 8/09 RETURNED FROM ENROLLING
 8/10 SIGNED BY SPEAKER
 8/10 SIGNED BY PRESIDENT
 8/10 TRANSMITTED TO GOVERNOR
 8/13 SIGNED BY GOVERNOR
 8/13 CHAPTER NUMBER ASSIGNED
 CHAPTER NUMBER 4
 EFFECTIVE DATE: 8/13/2002 - ALL SECTIONS

HB 7 INTRODUCED BY LEWIS

LC0023 DRAFTER: MCCLURE

REALLOCATING DEDICATED PUBLIC SCHOOL REVENUES
 BY REQUEST OF OFFICE OF BUDGET AND PROGRAM PLANNING

7/17	INTRODUCED		
7/17	REFERRED TO APPROPRIATIONS		
7/18	FISCAL NOTE REQUESTED		
7/24	HEARING		
7/26	FISCAL NOTE RECEIVED		
7/26	COMMITTEE EXECUTIVE ACTION—BILL PASSED	16	2
7/26	FISCAL NOTE PRINTED		
8/05	COMMITTEE REPORT—BILL PASSED		
8/05	2ND READING PASSED	67	33
8/06	3RD READING PASSED	64	36

TRANSMITTED TO SENATE			
8/06	REFERRED TO FINANCE		
8/07	HEARING		
8/07	COMMITTEE EXECUTIVE ACTION—BILL CONCURRED AS AMENDED	18	0
8/07	COMMITTEE REPORT—BILL CONCURRED AS AMENDED		
8/09	2ND READING CONCURRED ON VOICE VOTE	46	3
8/09	3RD READING CONCURRED	38	11

RETURNED TO HOUSE WITH AMENDMENTS			
8/10	2ND READING SENATE AMENDMENTS CONCURRED	68	32
8/10	3RD READING PASSED AS AMENDED BY SENATE	68	31
8/10	SENT TO ENROLLING		
8/10	RETURNED FROM ENROLLING		
8/10	SIGNED BY SPEAKER		
8/10	SIGNED BY PRESIDENT		
8/12	TRANSMITTED TO GOVERNOR		
8/16	SIGNED BY GOVERNOR		
8/16	CHAPTER NUMBER ASSIGNED		
	CHAPTER NUMBER 10		
	EFFECTIVE DATE: 8/16/2002 - ALL SECTIONS		

HB 8 INTRODUCED BY LEWIS

LC0043 DRAFTER: LANE

SWITCH FUNDING FOR CULTURAL & AESTHETIC GRANTS TO BED TAX FROM GENERAL
 FUND

BY REQUEST OF OFFICE OF BUDGET AND PROGRAM PLANNING

7/17	INTRODUCED		
7/17	REFERRED TO APPROPRIATIONS		
7/18	FISCAL NOTE REQUESTED		
7/23	FISCAL NOTE RECEIVED		
7/23	FISCAL NOTE SIGNED		
7/24	HEARING		
7/24	FISCAL NOTE PRINTED		
7/26	COMMITTEE EXECUTIVE ACTION—BILL PASSED AS AMENDED	18	0

8/05 COMMITTEE REPORT—BILL PASSED AS AMENDED
 8/05 2ND READING PASSED
 8/06 3RD READING PASSED

78 22
 74 26

TRANSMITTED TO SENATE

8/06 REFERRED TO FINANCE
 8/07 HEARING
 8/07 COMMITTEE EXECUTIVE ACTION—BILL CONCURRED
 8/07 COMMITTEE REPORT—BILL CONCURRED
 8/10 2ND READING CONCURRED ON VOICE VOTE
 8/10 3RD READING CONCURRED

19 0
 48 0
 47 0

RETURNED TO HOUSE

8/10 SENT TO ENROLLING
 8/10 RETURNED FROM ENROLLING
 8/10 SIGNED BY PRESIDENT
 8/10 SIGNED BY SPEAKER
 8/12 TRANSMITTED TO GOVERNOR
 8/16 SIGNED BY GOVERNOR
 8/16 CHAPTER NUMBER ASSIGNED

CHAPTER NUMBER 11

EFFECTIVE DATE: 8/16/2002 - ALL SECTIONS

HB 9 INTRODUCED BY FISHER

LC0018 DRAFTER: MCCLURE

REDUCING GF SHORTFALL THROUGH ELIMINATION OF RIT WEED TRANSFER AND RIT INTEREST

BY REQUEST OF OFFICE OF BUDGET AND PROGRAM PLANNING

7/17 INTRODUCED
 7/17 REFERRED TO APPROPRIATIONS
 7/18 FISCAL NOTE REQUESTED
 7/24 HEARING
 7/24 FISCAL NOTE RECEIVED
 7/24 FISCAL NOTE PRINTED
 7/25 COMMITTEE EXECUTIVE ACTION—BILL PASSED AS AMENDED
 8/05 COMMITTEE REPORT—BILL PASSED AS AMENDED
 8/05 2ND READING PASSED
 8/06 3RD READING PASSED

15 3
 60 40
 61 39

TRANSMITTED TO SENATE

8/06 REFERRED TO FINANCE
 8/07 HEARING
 8/07 COMMITTEE EXECUTIVE ACTION—BILL CONCURRED AS AMENDED
 8/07 COMMITTEE REPORT—BILL CONCURRED AS AMENDED
 8/09 2ND READING CONCURRED
 8/09 3RD READING CONCURRED

16 2
 31 16
 33 16

RETURNED TO HOUSE WITH AMENDMENTS

8/10 2ND READING SENATE AMENDMENTS NOT CONCURRED
 8/10 CONFERENCE COMMITTEE APPOINTED
 8/10 CONFERENCE COMMITTEE APPOINTED
 8/10 CONFERENCE COMMITTEE REPORT RECEIVED
 8/10 2ND READING CONFERENCE COMMITTEE REPORT ADOPTED
 8/10 3RD READING CONFERENCE COMMITTEE REPORT ADOPTED
 8/10 CONFERENCE COMMITTEE REPORT RECEIVED
 8/10 2ND READING CONFERENCE COMMITTEE REPORT ADOPTED ON
 VOICE VOTE
 8/10 3RD READING CONFERENCE COMMITTEE REPORT ADOPTED

99 0
 89 11
 83 17
 46 0
 46 0
 46 0

8/10 SENT TO ENROLLING
 8/12 RETURNED FROM ENROLLING
 8/19 SIGNED BY SPEAKER
 8/19 SIGNED BY PRESIDENT
 8/19 TRANSMITTED TO GOVERNOR
 8/21 SIGNED BY GOVERNOR
 8/21 CHAPTER NUMBER ASSIGNED

CHAPTER NUMBER 20

EFFECTIVE DATE: 8/21/2002 - ALL SECTIONS

HISTORY AND FINAL STATUS

HB 10 INTRODUCED BY BALYEAT

LC0020 DRAFTER: CAMPBELL

REVISE ALLOCATIONS OF COAL SEV. TAX, OIL AND GAS TAX, MET. MINES TAX
BY REQUEST OF OFFICE OF BUDGET AND PROGRAM PLANNING

7/17	INTRODUCED		
7/17	REFERRED TO APPROPRIATIONS		
7/18	FISCAL NOTE REQUESTED		
7/24	HEARING		
7/24	FISCAL NOTE RECEIVED		
7/24	FISCAL NOTE PRINTED		
7/25	COMMITTEE EXECUTIVE ACTION—BILL PASSED AS AMENDED	12	6
8/05	COMMITTEE REPORT—BILL PASSED		
8/05	2ND READING PASSED AS AMENDED	59	41
8/06	3RD READING PASSED	60	40
	TRANSMITTED TO SENATE		
8/06	REFERRED TO FINANCE		
8/06	REVISED FISCAL NOTE REQUESTED		
8/07	REVISED FISCAL NOTE RECEIVED		
8/07	HEARING		
8/09	COMMITTEE EXECUTIVE ACTION—BILL CONCURRED AS AMENDED	18	0
8/09	COMMITTEE REPORT—BILL CONCURRED AS AMENDED		
8/09	2ND READING CONCURRED	31	18
8/09	3RD READING CONCURRED	30	19
	RETURNED TO HOUSE WITH AMENDMENTS		
8/10	2ND READING SENATE AMENDMENTS CONCURRED	94	6
8/10	3RD READING PASSED AS AMENDED BY SENATE	90	10
8/10	SENT TO ENROLLING		
8/10	RETURNED FROM ENROLLING		
8/10	SIGNED BY SPEAKER		
8/10	SIGNED BY PRESIDENT		
8/12	TRANSMITTED TO GOVERNOR		
8/16	SIGNED BY GOVERNOR		
8/16	CHAPTER NUMBER ASSIGNED		
	CHAPTER NUMBER 12		
	EFFECTIVE DATE: 8/16/2002 - ALL SECTIONS		

HB 11 INTRODUCED BY HAINES

LC0021 DRAFTER: HEIMAN

REVISE AMOUNT OF FEDERAL MINERAL LEASING FUNDS
BY REQUEST OF OFFICE OF BUDGET AND PROGRAM PLANNING

7/22	INTRODUCED		
7/22	FISCAL NOTE REQUESTED		
7/23	REFERRED TO TAXATION		
7/30	FISCAL NOTE RECEIVED		
8/05	HEARING		
8/05	TABLED IN COMMITTEE		
8/07	TAKEN FROM TABLE IN COMMITTEE		
8/07	COMMITTEE EXECUTIVE ACTION—BILL PASSED AS AMENDED	11	9
8/07	COMMITTEE REPORT—BILL PASSED AS AMENDED		
8/07	2ND READING PASSED	58	42
8/07	3RD READING PASSED	57	43
	TRANSMITTED TO SENATE		
8/08	REFERRED TO FINANCE		
8/09	HEARING		
8/09	COMMITTEE EXECUTIVE ACTION—BILL CONCURRED	16	2
8/09	COMMITTEE REPORT—BILL CONCURRED		
8/09	2ND READING CONCURRED ON VOICE VOTE	47	2
8/09	3RD READING CONCURRED	46	3
	RETURNED TO HOUSE		
8/10	SENT TO ENROLLING		
8/10	RETURNED FROM ENROLLING		
8/10	SIGNED BY SPEAKER		

8/10 SIGNED BY PRESIDENT
 8/12 TRANSMITTED TO GOVERNOR
 8/13 SIGNED BY GOVERNOR
 8/13 CHAPTER NUMBER ASSIGNED
 CHAPTER NUMBER 5
 EFFECTIVE DATE: 8/13/2002 - ALL SECTIONS

HB 12 INTRODUCED BY KASTEN

LC0035 DRAFTER: LANE

STATE EMPLOYEE HIRING FREEZE

BY REQUEST OF OFFICE OF BUDGET AND PROGRAM PLANNING

7/23	INTRODUCED		
7/24	FISCAL NOTE REQUESTED		
7/25	FISCAL NOTE RECEIVED		
7/25	REFERRED TO APPROPRIATIONS		
7/25	HEARING		
7/25	FISCAL NOTE PRINTED		
7/26	COMMITTEE EXECUTIVE ACTION—BILL PASSED	12	6
8/05	COMMITTEE REPORT—BILL PASSED		
8/05	2ND READING PASSED	63	37
8/06	3RD READING PASSED	63	37
	TRANSMITTED TO SENATE		
8/06	REFERRED TO FINANCE		
8/07	HEARING		
8/07	COMMITTEE EXECUTIVE ACTION—BILL CONCURRED	10	8
8/07	COMMITTEE REPORT—BILL CONCURRED		
8/08	2ND READING CONCURRED	29	19
8/09	3RD READING CONCURRED	31	18
	RETURNED TO HOUSE		
8/09	SENT TO ENROLLING		
8/09	RETURNED FROM ENROLLING		
8/10	SIGNED BY SPEAKER		
8/10	SIGNED BY PRESIDENT		
8/10	TRANSMITTED TO GOVERNOR		
8/13	SIGNED BY GOVERNOR		
8/13	CHAPTER NUMBER ASSIGNED		
	CHAPTER NUMBER 6		
	EFFECTIVE DATE: 8/13/2002 - ALL SECTIONS		

HB 13 INTRODUCED BY LEWIS

LC0070 DRAFTER: PETESCH

DEBT COLLECTION INTERNAL SERVICE FUND RESIDUAL TRANSFER

7/22	FISCAL NOTE NEEDED		
7/24	INTRODUCED		
7/25	FISCAL NOTE REQUESTED		
7/25	FISCAL NOTE RECEIVED		
7/25	REFERRED TO APPROPRIATIONS		
8/05	HEARING		
8/05	COMMITTEE EXECUTIVE ACTION—BILL PASSED	17	0
8/05	COMMITTEE REPORT—BILL PASSED		
8/07	2ND READING PASSED	100	0
8/07	3RD READING PASSED	98	2
	TRANSMITTED TO SENATE		
8/08	REFERRED TO FINANCE		
8/09	HEARING		
8/09	COMMITTEE EXECUTIVE ACTION—BILL CONCURRED	14	4
8/09	COMMITTEE REPORT—BILL CONCURRED		
8/09	2ND READING CONCURRED ON VOICE VOTE	49	0
8/09	3RD READING CONCURRED	49	0
	RETURNED TO HOUSE		
8/10	SENT TO ENROLLING		
8/10	RETURNED FROM ENROLLING		
8/10	SIGNED BY SPEAKER		

8/10 SIGNED BY PRESIDENT
8/12 TRANSMITTED TO GOVERNOR
8/13 SIGNED BY GOVERNOR
8/13 CHAPTER NUMBER ASSIGNED
CHAPTER NUMBER 7
EFFECTIVE DATE: 8/13/2002 - ALL SECTIONS

HB 14 INTRODUCED BY BOOKOUT-REINICKE LC0047 DRAFTER: MCCLURE

LOWER SUBSEQUENT LEGISLATOR SALARIES BY 10 PERCENT

7/26 INTRODUCED
7/26 REFERRED TO APPROPRIATIONS
7/30 FISCAL NOTE REQUESTED
7/30 FISCAL NOTE RECEIVED
8/05 HEARING
8/07 COMMITTEE EXECUTIVE ACTION—BILL PASSED 15 2
8/07 COMMITTEE REPORT—BILL PASSED
8/07 2ND READING PASSED 54 45
8/07 3RD READING PASSED 51 49
8/07 RECONSIDERED PREVIOUS ACTION; REMAINS IN 3RD READING PROCESS 59 39
8/08 3RD READING PASSED 60 40

TRANSMITTED TO SENATE
8/08 REFERRED TO FINANCE
8/09 HEARING
8/09 TABLED IN COMMITTEE
DIED IN STANDING COMMITTEE

HB 15 INTRODUCED BY BUZZAS LC0060 DRAFTER: KURTZ

ELIMINATE STATUTORY APPROPRIATION TO GOV. OFFICE OF ECON. DEVELOPMENT

7/29 INTRODUCED
7/30 FISCAL NOTE RECEIVED
7/30 FISCAL NOTE REQUESTED
8/01 REFERRED TO APPROPRIATIONS
8/05 HEARING
8/05 TABLED IN COMMITTEE
DIED IN STANDING COMMITTEE

HB 16 INTRODUCED BY DE. BROWN LC0032 DRAFTER: HEIMAN

MAXIMIZE GENERAL FUND INTEREST BY LIMITING INTERENTITY LOANS

7/29 INTRODUCED
7/29 REFERRED TO APPROPRIATIONS
7/30 FISCAL NOTE REQUESTED
8/05 HEARING
8/06 FISCAL NOTE RECEIVED
8/06 REVISED FISCAL NOTE REQUESTED
8/07 REVISED FISCAL NOTE RECEIVED
8/07 COMMITTEE EXECUTIVE ACTION—BILL PASSED 14 3
8/07 COMMITTEE REPORT—BILL PASSED
8/07 2ND READING PASSED 100 0
8/07 3RD READING PASSED 98 0

TRANSMITTED TO SENATE
8/08 REFERRED TO TAXATION
8/09 HEARING
8/09 COMMITTEE EXECUTIVE ACTION—BILL CONCURRED 8 0
8/09 COMMITTEE REPORT—BILL CONCURRED
8/09 2ND READING CONCURRED ON VOICE VOTE 49 0
8/09 3RD READING CONCURRED 49 0

RETURNED TO HOUSE
8/10 SENT TO ENROLLING
8/10 RETURNED FROM ENROLLING
8/10 SIGNED BY SPEAKER
8/10 SIGNED BY PRESIDENT

8/12 TRANSMITTED TO GOVERNOR
 8/13 SIGNED BY GOVERNOR
 8/13 CHAPTER NUMBER ASSIGNED
 CHAPTER NUMBER 8
 EFFECTIVE DATE: 8/13/2002 - ALL SECTIONS

HB 17 INTRODUCED BY WADDILL
 CHANGE VIDEO GAMBLING MACHINE TAX RATE

LC0063 DRAFTER: MACMASTER

7/19 FISCAL NOTE NEEDED
 7/29 INTRODUCED
 7/30 FISCAL NOTE RECEIVED
 7/30 FISCAL NOTE REQUESTED
 8/01 REFERRED TO TAXATION
 8/05 HEARING
 8/05 TABLED IN COMMITTEE
 DIED IN STANDING COMMITTEE

HB 18 INTRODUCED BY STORY
 REVISE AND CLARIFY STATE/LOCAL FINANCE — HB 124 HOUSEKEEPING AND FIXES
 BY REQUEST OF OFFICE OF BUDGET AND PROGRAM PLANNING

LC0024 DRAFTER: HEIMAN

7/29	INTRODUCED		
7/30	FISCAL NOTE REQUESTED		
8/01	REFERRED TO TAXATION		
8/05	HEARING		
8/05	COMMITTEE REPORT—BILL PASSED		
8/05	COMMITTEE EXECUTIVE ACTION—BILL PASSED AS AMENDED	11	9
8/06	FISCAL NOTE RECEIVED		
8/07	HEARING		
8/07	2ND READING PASSED AS AMENDED	53	46
8/07	3RD READING PASSED	54	46
	TRANSMITTED TO SENATE		
8/08	REFERRED TO TAXATION		
8/09	HEARING		
8/09	COMMITTEE EXECUTIVE ACTION—BILL CONCURRED	9	0
8/09	COMMITTEE REPORT—BILL CONCURRED		
8/10	2ND READING CONCURRED ON VOICE VOTE	48	0
8/10	3RD READING CONCURRED	40	7

RETURNED TO HOUSE
 8/10 SENT TO ENROLLING
 8/10 RETURNED FROM ENROLLING
 8/10 SIGNED BY SPEAKER
 8/10 SIGNED BY PRESIDENT
 8/12 TRANSMITTED TO GOVERNOR
 8/16 SIGNED BY GOVERNOR
 8/16 CHAPTER NUMBER ASSIGNED
 CHAPTER NUMBER 13
 EFFECTIVE DATE: 8/16/2002 - ALL SECTIONS

HB 19 INTRODUCED BY WADDILL
 REDUCE CERTAIN STATE ELECTED OFFICIALS' SALARIES

LC0061 DRAFTER: PETESCH

7/19 FISCAL NOTE NEEDED
 7/31 INTRODUCED
 7/31 REFERRED TO TAXATION
 8/02 FISCAL NOTE REQUESTED
 8/05 FISCAL NOTE RECEIVED
 8/08 HEARING
 8/08 TABLED IN COMMITTEE
 DIED IN STANDING COMMITTEE

HB 20	INTRODUCED BY WADDILL	LC0064 DRAFTER: KURTZ		
	ELIMINATE GOVERNOR'S ECONOMIC DEVELOPMENT PROGRAM			
	7/19 FISCAL NOTE NEEDED			
	7/31 INTRODUCED			
	8/02 FISCAL NOTE REQUESTED			
	8/05 REFERRED TO APPROPRIATIONS			
	8/07 HEARING			
	8/07 FISCAL NOTE RECEIVED			
	8/08 Tabled in Committee			
	DIED in Standing Committee			
HB 21	INTRODUCED BY BALYEAT	LC0068 DRAFTER: HEIMAN		
	REQUIRE FULL RECOVERY OF INDIRECT COSTS FROM FEDERAL AND THIRD-PARTY GRANTS.			
	7/19 FISCAL NOTE NEEDED			
	8/01 INTRODUCED			
	8/02 FISCAL NOTE REQUESTED			
	8/02 REFERRED TO APPROPRIATIONS			
	8/07 HEARING			
	8/07 FISCAL NOTE RECEIVED			
	8/07 COMMITTEE EXECUTIVE ACTION—BILL PASSED AS AMENDED	16	2	
	8/07 2ND READING PASSED AS AMENDED	97	3	
	8/07 3RD READING PASSED	98	2	
	TRANSMITTED TO SENATE			
	8/08 REFERRED TO TAXATION			
	8/09 HEARING			
	8/09 COMMITTEE EXECUTIVE ACTION—BILL CONCURRED AS AMENDED	8	0	
	8/09 COMMITTEE REPORT—BILL CONCURRED AS AMENDED			
	8/09 2ND READING CONCURRED ON VOICE VOTE	49	0	
	8/09 3RD READING CONCURRED	49	0	
	RETURNED TO HOUSE WITH AMENDMENTS			
	8/10 2ND READING SENATE AMENDMENTS CONCURRED	100	0	
	8/10 3RD READING PASSED AS AMENDED BY SENATE	100	0	
	8/10 SENT TO ENROLLING			
	8/10 RETURNED FROM ENROLLING			
	8/10 SIGNED BY SPEAKER			
	8/10 SIGNED BY PRESIDENT			
	8/12 TRANSMITTED TO GOVERNOR			
	8/16 SIGNED BY GOVERNOR			
	8/16 CHAPTER NUMBER ASSIGNED			
	CHAPTER NUMBER 14			
	EFFECTIVE DATE: 8/16/2002 - ALL SECTIONS			
HB 22	INTRODUCED BY LEWIS	LC0086 DRAFTER: PETESCH		
	AUTHORIZE USE OF HIGHWAY FUNDS FOR MOTOR VEHICLE DIVISION			
	BY REQUEST OF HOUSE APPROPRIATIONS STANDING COMMITTEE			
	8/05 INTRODUCED			
	8/05 REFERRED TO APPROPRIATIONS			
	8/07 HEARING			
	8/07 Tabled in Committee			
	8/09 COMMITTEE EXECUTIVE ACTION—BILL PASSED AS AMENDED	11	7	
	8/09 TAKEN FROM TABLE in Committee			
	8/09 COMMITTEE REPORT—BILL PASSED AS AMENDED			
	8/09 2ND READING NOT PASSED	96	1	
	DIED in PROCESS			
HB 23	INTRODUCED BY WADDILL	LC0065 DRAFTER: CAMPBELL		
	INCREASE CIGARETTE AND TOBACCO PRODUCTS TAX			
	7/19 FISCAL NOTE NEEDED			
	8/05 INTRODUCED			

8/05 REFERRED TO TAXATION
 8/05 FISCAL NOTE REQUESTED
 8/08 FISCAL NOTE RECEIVED
 8/08 HEARING
 8/09 TABLED IN COMMITTEE
 DIED IN STANDING COMMITTEE

HB 24 INTRODUCED BY BALYEAT

LC0002 DRAFTER: HEIMAN

LEGISLATORS TO FOREGO LEGISLATIVE SALARY DURING SPECIAL SESSION

8/05 INTRODUCED
 8/05 REFERRED TO APPROPRIATIONS
 8/05 FISCAL NOTE REQUESTED
 8/06 FISCAL NOTE RECEIVED
 8/09 HEARING
 8/09 TABLED IN COMMITTEE
 DIED IN STANDING COMMITTEE

HB 25 INTRODUCED BY SHOCKLEY

LC0040 DRAFTER: MACMASTER

LESSEN PRISON POPULATION TO KEEP IT WITHIN BUDGETARY AND PHYSICAL PLANT LIMITS

8/05 REFERRED TO JUDICIARY
 8/05 INTRODUCED
 8/05 FISCAL NOTE REQUESTED
 8/07 FISCAL NOTE RECEIVED
 8/07 HEARING
 8/07 TABLED IN COMMITTEE
 DIED IN STANDING COMMITTEE

HB 26 INTRODUCED BY WADDILL

LC0003 DRAFTER: LANE

REQUIRE DPHHS TO REFINANCE GENERAL FUND WITH FEDERAL FUNDS

8/05 INTRODUCED
 8/05 REFERRED TO APPROPRIATIONS
 8/08 FISCAL NOTE REQUESTED
 8/09 FISCAL NOTE RECEIVED
 DIED IN STANDING COMMITTEE

HB 27 INTRODUCED BY SINRUD

LC0090 DRAFTER: PETESCH

INCREASE ATTORNEY LICENSE TAX

8/05 FISCAL NOTE NEEDED
 8/05 INTRODUCED
 8/05 REFERRED TO APPROPRIATIONS
 8/05 FISCAL NOTE REQUESTED
 8/06 FISCAL NOTE RECEIVED
 DIED IN STANDING COMMITTEE

HB 28 INTRODUCED BY LEWIS

LC0054 DRAFTER: PETESCH

REVISE EXPENDITURES BY ELIMINATING DEPARTMENT OF COMMERCE

8/06 INTRODUCED
 8/06 REFERRED TO APPROPRIATIONS
 8/06 FISCAL NOTE REQUESTED
 DIED IN STANDING COMMITTEE

HB 29 INTRODUCED BY SINRUD

LC0091 DRAFTER: MACMASTER

ASSESS FEE ON ATTORNEYS TO FUND STATE LAW LIBRARY

8/05 FISCAL NOTE NEEDED
 8/06 INTRODUCED
 8/06 REFERRED TO APPROPRIATIONS
 8/06 FISCAL NOTE REQUESTED
 8/08 FISCAL NOTE RECEIVED

	8/08 HEARING		
	8/08 COMMITTEE EXECUTIVE ACTION—BILL PASSED	13	5
	8/08 COMMITTEE REPORT—BILL PASSED		
	8/08 2ND READING PASS MOTION FAILED	20	79
	DIED IN PROCESS		
HB 30	INTRODUCED BY HARRIS	LC0096 DRAFTER: MCCLURE	
	TRANSFER WORK COMP SURPLUS FUNDS TO GENERAL FUND FOR CERTAIN PURPOSES		
	8/05 FISCAL NOTE NEEDED		
	8/07 INTRODUCED		
	8/07 REFERRED TO APPROPRIATIONS		
	8/07 FISCAL NOTE REQUESTED		
	8/09 FISCAL NOTE RECEIVED		
	8/10 HEARING		
	8/10 COMMITTEE EXECUTIVE ACTION—BILL PASSED AS AMENDED	14	4
	8/10 COMMITTEE REPORT—BILL PASSED AS AMENDED	14	4
	8/10 2ND READING PASSED AS AMENDED	92	7
	8/10 3RD READING PASSED	92	8
	TRANSMITTED TO SENATE		
	DIED IN PROCESS		
HB 31	INTRODUCED BY OLSON	LC0109 DRAFTER: PETESCH	
	REVISE ELECTION LAWS TO PLACE LC 108 ON NOVEMBER BALLOT		
	8/09 INTRODUCED		
	8/09 REFERRED TO APPROPRIATIONS		
	8/10 HEARING		
	8/10 REVISED FISCAL NOTE REQUESTED		
	8/10 COMMITTEE EXECUTIVE ACTION—BILL PASSED	14	4
	8/10 COMMITTEE REPORT—BILL PASSED	14	4
	8/10 REVISED FISCAL NOTE RECEIVED		
	DIED IN PROCESS		
HB 32	INTRODUCED BY OLSON	LC0108 DRAFTER: PETESCH	
	USE PART OF DEDICATED COAL TRUST TO FUND EDUCATION		
	8/09 FISCAL NOTE NEEDED		
	8/09 INTRODUCED		
	8/09 REFERRED TO APPROPRIATIONS		
	8/10 HEARING		
	8/10 COMMITTEE EXECUTIVE ACTION—BILL PASSED AS AMENDED	10	8
	8/10 COMMITTEE REPORT—BILL PASSED AS AMENDED	10	8
	8/10 2ND READING PASS AS AMENDED MOTION FAILED	50	50
	DIED IN PROCESS		
HB 33	INTRODUCED BY MANGAN	LC0103 DRAFTER: CAMPBELL	
	INCREASE CIGARETTE TAX 60 CENTS FOR GENERAL FUND		
	8/07 FISCAL NOTE NEEDED		
	8/09 INTRODUCED		
	8/09 REFERRED TO TAXATION		
	8/09 FISCAL NOTE REQUESTED		
	8/09 FISCAL NOTE RECEIVED		
	8/10 HEARING		
	8/10 TABLED IN COMMITTEE		
	DIED IN STANDING COMMITTEE		
HJ 1	INTRODUCED BY DEVLIN	LC0012 DRAFTER: KURTZ	
	REVENUE ESTIMATING RESOLUTION		
	7/02 REFERRED TO TAXATION		
	7/23 REFERRED TO TAXATION		
	7/30 HEARING		
	7/30 INTRODUCED		

7/30	REFERRED TO TAXATION		
7/31	COMMITTEE EXECUTIVE ACTION—BILL PASSED AS AMENDED	10	8
8/05	COMMITTEE REPORT—BILL PASSED AS AMENDED		
8/05	2ND READING PASSED AS AMENDED	67	33
8/06	3RD READING PASSED	64	36
	TRANSMITTED TO SENATE		
8/06	REFERRED TO TAXATION		
8/07	HEARING		
8/09	COMMITTEE EXECUTIVE ACTION—BILL CONCURRED	5	3
8/09	COMMITTEE REPORT—BILL CONCURRED		
8/10	2ND READING CONCURRED	29	19
8/10	3RD READING CONCURRED	27	20
	RETURNED TO HOUSE		
8/10	SENT TO ENROLLING		
8/10	RETURNED FROM ENROLLING		
8/10	SIGNED BY SPEAKER		
8/12	FILED WITH SECRETARY OF STATE		

LAWS AND RESOLUTIONS OF THE STATE OF MONTANA
(SESSION LAWS)

AUGUST 2002 SPECIAL SESSION

LAWS OF MONTANA
(SESSION LAWS)

Explanatory Note: Section 5-11-205, MCA, provides that new parts of existing statutes be printed in italics and that deleted provisions be shown as stricken.

CHAPTER NO. 1
[HB 1]

AN ACT APPROPRIATING MONEY; PROVIDING FOR THE OPERATION OF THE SPECIAL SESSION OF THE 57TH LEGISLATURE CONVENING AUGUST 5, 2002, AND FOR OTHER RELATED LEGISLATIVE PURPOSES; PROVIDING EXPLICITLY FOR REVERSION OF EXCESS FUNDING; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

Be it enacted by the Legislature of the State of Montana:

Section 1. Appropriations. The following amounts are appropriated from the general fund for the fiscal year ending June 30, 2003, for costs of the special legislative session of August 2002:

LEGISLATIVE BRANCH (1104)

1. Senate (25)	\$162,777
2. House of Representatives (26)	288,711
3. Legislative Services Division (22)	46,178

Section 2. Reversion. Money appropriated in [section 1] that is not expended or obligated at the end of the fiscal year ending June 30, 2003, reverts to the general fund.

Section 3. Effective date. [This act] is effective on passage and approval.

Approved August 13, 2002

CHAPTER NO. 2
[HB 3]

AN ACT REDUCING THE STATE GENERAL FUND SHORTFALL IN REVENUE BY IMPLEMENTING PAY AND BENEFIT ADJUSTMENTS FOR STATE EMPLOYEES FOR THE FISCAL YEAR ENDING JUNE 30, 2003; AMENDING SECTION 8, CHAPTER 553, LAWS OF 2001; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

Be it enacted by the Legislature of the State of Montana:

Section 1. Section 8, Chapter 553, Laws of 2001, is amended to read:

“Section 8. Appropriations. (1) The following money for the indicated fiscal years is appropriated to the listed agencies to implement the adjustments provided for in [sections 1 through 6]:

	Fiscal Year 2002		Fiscal Year 2003	
	General Fund	Other Funds	General Fund	Other Funds
Legislative Branch	145,571	29,596	388,359 310,687	78,107
Consumer Counsel		9,829		25,902
Judiciary	93,728	10,564	253,634 202,907	28,560
University System	3,491,176	3,051,506	8,759,051 7,007,241	7,655,963
OBPP	4,302,871	6,718,472	11,606,426 9,176,095	18,059,051 18,320,702
OBPP-Teacher Pay Plan	41,836		107,216 85,773	

(2) The following money is appropriated for the biennium to the office of budget and program planning to be distributed to other agencies when personnel vacancies do not occur, retirement costs exceed agencies resources, or other contingencies arise:

	Fiscal Year 2002	
	General Fund	Other Funds
Personal Services Contingency	1,300,000 800,000	3,000,000

(3) The following money is appropriated for the biennium to the legislative branch for use when personnel vacancies do not occur, retirement costs exceed branch resources, or other contingencies arise:

	Fiscal Year 2002
	General Fund
Personal Services Contingency	200,000

(4) The following money is appropriated for the biennium to the legislative branch to reduce the discrepancy between actual branch salaries and statutory market salaries:

	Fiscal Year 2002	
	General Fund	Other Funds
Statutory Market Salary Adjustment	400,000	34,500"

Section 2. Effective date. [This act] is effective on passage and approval.

Approved August 13, 2002

CHAPTER NO. 3

[HB 4]

AN ACT REDUCING THE GENERAL FUND SHORTFALL IN REVENUE BY TEMPORARILY ELIMINATING THE REVENUE DEDICATED TO THE SCHOOL TECHNOLOGY FUND; AMENDING SECTIONS 20-9-343, 20-9-534, AND 20-9-620, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE.

Be it enacted by the Legislature of the State of Montana:

Section 1. Section 20-9-343, MCA, is amended to read:

"20-9-343. Definition of and revenue for state equalization aid. (1) As used in this title, the term "state equalization aid" means revenue as required in this section for:

(a) distribution to the public schools for guaranteed tax base aid, BASE aid, state reimbursement for school facilities, and grants for school technology purchases; and

(b) negotiated payments authorized under 20-7-420(3) up to \$500,000 a biennium.

(2) The superintendent of public instruction may spend throughout the biennium funds appropriated for the purposes of guaranteed tax base aid, BASE aid for the BASE funding program, state reimbursement for school facilities, negotiated payments authorized under 20-7-420(3), and school technology purchases.

(3) ~~The~~ *From July 1, 2001, through June 30, 2003, the* following money must be paid into a subfund of the state general fund for the public schools of the state as indicated:

(a) ~~(i) subject to subsection (3)(a)(ii), interest and income money described in 20-9-341 and 20-9-342; and~~

~~(ii) an amount of money equal to the income money attributable to the difference between the average sale value of 18 million board feet and the total income produced from the annual timber harvest on common school trust lands during the fiscal year to the school technology account in the state special revenue fund, which is statutorily appropriated, pursuant to 20-9-534, to be used for the purposes of 20-9-533;~~

(b) investment income earned by investing interest and income money described in 20-9-341 and 20-9-342.

(4) *Beginning July 1, 2003, the following money must be paid into a subfund of the state general fund for the public schools of the state as indicated:*

(a) (i) *subject to subsection (4)(a)(ii), interest and income money described in 20-9-341 and 20-9-342; and*

(ii) an amount of money equal to the income money attributable to the difference between the average sale value of 18 million board feet and the total income produced from the annual timber harvest on common school trust lands during the fiscal year to the school technology account in the state special revenue fund, which is statutorily appropriated, pursuant to 20-9-534, to be used for the purposes of 20-9-533;

(b) investment income earned by investing interest and income money described in 20-9-341 and 20-9-342."

Section 2. Section 20-9-534, MCA, is amended to read:

"20-9-534. School technology purchases. By September 1, the superintendent of public instruction shall allocate the annual amount for grants for school technology purchases to each district based on the ratio that each district's BASE budget bears to the statewide BASE budget amount for all school districts multiplied by the amount of money provided in 20-9-343(3)(a)(ii)

for the purposes of 20-9-533 in the prior fiscal year. The grants for school technology purchases are statutorily appropriated, as provided in 17-7-502.”

Section 3. Section 20-9-620, MCA, is amended to read:

“20-9-620. Definition. (1) As used in 20-9-621, 20-9-622, and this section, “distributable revenue” means, except for that portion of revenue described in 20-9-343(3)(a)(ii)(4)(a)(ii) and available on or after July 1, 2003, 77-1-607, and 77-1-613, 95% of all revenue from the management of school trust lands and the permanent fund, including timber sale proceeds, lease fees, interest, dividends, and net realized capital gains.

(2) The term does not include mineral royalties or land sale proceeds that are deposited directly in the permanent fund or net unrealized capital gains that remain in the permanent fund until realized.”

Section 4. Coordination instruction. If House Bill No. 4 and House Bill No. 7 are both passed and approved and if both include a section amending 20-9-343, then 20-9-343 must read as follows:

“20-9-343. Definition of and revenue for state equalization aid. (1) As used in this title, the term “state equalization aid” means revenue as required in this section for:

(a) distribution to the public schools for guaranteed tax base aid, BASE aid, state reimbursement for school facilities, and grants for school technology purchases; and

(b) negotiated payments authorized under 20-7-420(3) up to \$500,000 a biennium.

(2) The superintendent of public instruction may spend throughout the biennium funds appropriated for the purposes of guaranteed tax base aid, BASE aid for the BASE funding program, state reimbursement for school facilities, negotiated payments authorized under 20-7-420(3), and school technology purchases.

(3) ~~The From July 1, 2001, through June 30, 2003, the following money must be paid into a subfund of the state general~~ *the dedicated school revenue fund for the public schools of the state as indicated:*

(a) ~~(i) subject to subsection (3)(a)(ii), interest and income money described in 20-9-341 and 20-9-342; and~~

~~(ii) an amount of money equal to the income money attributable to the difference between the average sale value of 18 million board feet and the total income produced from the annual timber harvest on common school trust lands during the fiscal year to the school technology account in the state special revenue fund, which is statutorily appropriated, pursuant to 20-9-534, to be used for the purposes of 20-9-533;~~

(b) investment income earned by investing interest and income money described in 20-9-331, 20-9-333, 20-9-341, and 20-9-342.

(4) *Beginning July 1, 2003, the following money must be paid into the dedicated school revenue fund for the public schools of the state as indicated:*

(a) (i) *subject to subsection (4)(a)(ii), interest and income money described in 20-9-341 and 20-9-342; and*

(ii) an amount of money equal to the income money attributable to the difference between the average sale value of 18 million board feet and the total income produced from the annual timber harvest on common school trust lands during the fiscal year, which is statutorily appropriated, pursuant to 20-9-534, to be used for the purposes of 20-9-533;

(b) investment income earned by investing interest and income money described in 20-9-331, 20-9-333, 20-9-341, and 20-9-342.”

Section 5. Effective date — retroactive applicability. [This act] is effective on passage and approval and applies retroactively, within the meaning of 1-2-109, to school fiscal years beginning July 1, 2001.

CHAPTER NO. 4

[HB 6]

AN ACT RELATING TO THE USE OF STATE-OWNED MOTOR VEHICLES FOR OFFICIAL BUSINESS AND REIMBURSEMENT FOR PRIVATE MOTOR VEHICLE USE BY STATE OFFICERS OR EMPLOYEES; ESTABLISHING MOTOR VEHICLE MILEAGE REIMBURSEMENT FOR OTHER AUTHORIZED TRAVEL; AMENDING SECTION 2-18-503, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

Be it enacted by the Legislature of the State of Montana:

Section 1. Section 2-18-503, MCA, is amended to read:

"2-18-503. Mileage — allowance. (1) Members of the legislature, state officers and employees, jurors, witnesses, county agents, and all other persons who may be entitled to mileage paid from public funds when using their own ~~automobiles~~ *motor vehicles* in the performance of official duties are entitled to collect mileage for the distance actually traveled by ~~automobile~~ *motor vehicle* and no more unless otherwise specifically provided by law.

(2) (a) ~~When the individual a state officer or employee, including a legislator on legislative business, is authorized to operate a privately owned vehicle even though travel by motor vehicle, a government-owned or leased vehicle is available, a rate of 3 cents less per mile than the mileage rate allowed by the United States internal revenue service for the current year must be paid and chooses to use a privately owned motor vehicle even though a government-owned or leased motor vehicle is available, the officer or employee may be reimbursed only at the rate of 52% of the low mileage rate allowed by the United States internal revenue service for the current year.~~

~~(3)(b) When a privately owned motor vehicle is used because a government-owned or leased motor vehicle is not available or because the use is in the best interest of the governmental entity; and a notice of unavailability of a government-owned or leased motor vehicle or a specific exemption is attached to the travel claim, then a rate equal to the mileage allotment allowed by the United States internal revenue service for the current year must be paid for the first 1,000 miles and 3 cents less per mile for all additional miles traveled within a given calendar month.~~

(3) *Members of the legislature, while traveling between their residence and Helena, jurors, witnesses, county agents, and all other persons, except a state officer or employee, who may be entitled to mileage paid from public funds when using their own motor vehicles in the performance of official duties are entitled to collect mileage at a rate equal to the mileage allotment allowed by the United States internal revenue service for the current year for the first 1,000 miles and 3 cents less per mile for all additional miles traveled within a given calendar month.*

(4) Members of the legislature, state officers and employees, jurors, witnesses, county agents, and all other persons who may be entitled to mileage paid from public funds; when using their own airplanes in the performance of official duties; are entitled to collect mileage for the nautical air miles actually traveled at a rate of twice the mileage allotment for ~~automobile~~ *motor vehicle* travel and no more unless specifically provided by law.

(5) This section does not alter 5-2-301.

(6) The department of administration shall prescribe policies necessary for the effective administration of this section for state government. The Montana Administrative Procedure Act, Title 2, chapter 4, does not apply to policies prescribed to administer this part."

Section 2. Effective date. [This act] is effective on passage and approval.

Approved August 13, 2002

CHAPTER NO. 5

[HB 11]

AN ACT REDUCING THE GENERAL FUND SHORTFALL IN REVENUE BY REVISING THE AMOUNT OF FEDERAL MINERAL LEASING FUNDS AVAILABLE FOR DISTRIBUTION TO COUNTIES IN FISCAL YEAR 2003; AMENDING SECTION 17-3-240, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

Be it enacted by the Legislature of the State of Montana:

Section 1. Section 17-3-240, MCA, is amended to read:

"17-3-240. Federal mineral leasing funds. (1) All money paid to the state pursuant to 30 U.S.C. 191 must be deposited in the state general fund and must be distributed as provided in subsections (2) and (3).

(2) At the conclusion of fiscal year 2002, the state treasurer shall distribute all money received in fiscal year 2002 in excess of \$21,756,000 pursuant to subsection (3). At the conclusion of fiscal year 2003, the state treasurer shall distribute all money received in fiscal year 2003 in excess of ~~\$20,474,000~~ \$21,671,000 pursuant to subsection (3). At the conclusion of fiscal year 2004, the state treasurer shall distribute ~~12.5%~~ 12.5% of all money received pursuant to subsection (3). At the conclusion of fiscal year 2005 ~~and each fiscal year thereafter~~ and each fiscal year thereafter, the state treasurer shall distribute ~~25%~~ 25% of all money received pursuant to subsection (3).

(3) On August 15 following the close of the fiscal year, the state treasurer shall distribute the distributions in subsection (2) to the mineral impact account established in 17-3-241. The distribution to the eligible counties must be allocated based on the proportion that the total amount of revenue generated by mineral extraction in an eligible county bears to the total amount of money received by the state."

Section 2. Effective date. [This act] is effective on passage and approval.

Approved August 13, 2002

CHAPTER NO. 6

[HB 12]

AN ACT REDUCING THE GENERAL FUND SHORTFALL IN REVENUE BY IMPOSING A HIRING FREEZE ON STATE GOVERNMENT DURING FISCAL YEAR 2003; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A TERMINATION DATE.

WHEREAS, the savings from wages and some overhead costs through the implementation of a freeze on hiring will assist with the budget emergency.

Be it enacted by the Legislature of the State of Montana:

Section 1. Fiscal year 2003 hiring freeze — exemption. (1) Except as provided in subsections (2) and (3), an agency of state government, as defined in 2-18-601, may not hire any employee after [the effective date of this act].

(2) An agency may hire an employee if that agency's approving authority, as defined in 17-7-102, approves the hiring in writing and transmits the approval to the governor's office of budget and program planning for input into the statewide accounting, budgeting, and human resources system. An approving authority may approve the hiring of an employee to protect the public health, safety, and welfare of the citizens of the state and to avoid significant disruptions to critical state services. The governor's office of budget and program planning, in conjunction

with the state personnel division of the department of administration, shall, within 30 days of [the effective date of this act], develop general criteria that are to be used by the governor for executive branch agencies and that may be used by other approving authorities to determine which vacant positions may be exempted from the hiring freeze.

(3) This section does not apply to the Montana university system.

Section 2. Effective date. [This act] is effective on passage and approval.

Section 3. Termination. [This act] terminates June 30, 2003.

Approved August 13, 2002

CHAPTER NO. 7

[HB 13]

AN ACT TRANSFERRING \$400,000 FROM THE STATE DEBT COLLECTION INTERNAL SERVICE FUND TO THE STATE GENERAL FUND; AMENDING SECTION 17-4-106, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

Be it enacted by the Legislature of the State of Montana:

Section 1. Section 17-4-106, MCA, is amended to read:

"17-4-106. Agency owed debt to receive all money collected — exception. (1) All money collected by the department on debts transferred to the department by the various agencies, except funds collected under 17-4-103(3), must be deposited to the account or fund of the agency to which the debt was originally owed. A county shall apply a delinquent personal property tax collection by the department to the payment of the taxpayer's most delinquent personal property taxes or portion of the taxes.

(2) Funds collected under 17-4-103(3) must be deposited in an account in the internal service fund for the cost of assistance of debt collection by the department. *Funds Except as provided in subsection (3), funds* deposited in excess of the amount appropriated for operation of the debt collection program must be carried forward into the next fiscal year for operation of the debt collection program. Any excess carried forward into the next fiscal year must be used to reduce the designated percentage of the collected proceeds charged to the various agencies.

(3) *The amount of \$400,000 is transferred from the internal service fund referred to in subsection (2) to the general fund prior to June 30, 2003."*

Section 2. Effective date. [This act] is effective on passage and approval.

Approved August 13, 2002

CHAPTER NO. 8

[HB 16]

AN ACT MAXIMIZING INTEREST EARNED BY THE GENERAL FUND BY LIMITING INTERENTITY LOANS IN FUNDS OR ACCOUNTING ENTITIES THAT ARE OWED MONEY BY THE FEDERAL GOVERNMENT OR OTHER THIRD PARTIES; REQUIRING THE BORROWING AGENCY TO BILL THE FEDERAL GOVERNMENT OR OTHER THIRD PARTY AND TO CERTIFY THE BILLING TO THE AGENCY THAT APPROVED THE LOAN; AMENDING SECTION 17-2-107, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

Be it enacted by the Legislature of the State of Montana:

Section 1. Section 17-2-107, MCA, is amended to read:

“17-2-107. Accurate accounting records and interentity loans. (1) The department shall record receipts and disbursements for treasury funds and for accounting entities within treasury funds and shall maintain records in a manner that reflects the total cash and invested balance of each fund and each accounting entity. The department shall adopt the necessary procedures to ensure that interdepartmental or intradepartmental transfers of money or loans do not result in inflation of figures reflecting total governmental costs and revenue.

(2) (a) Subject to 17-2-105, when the expenditure of an appropriation from a fund designated in 17-2-102(1) through (3) is necessary and the cash balance in the accounting entity from which the appropriation was made is insufficient, the department may authorize a temporary loan, bearing no interest, of unrestricted money from other accounting entities if there is reasonable evidence that the income will be sufficient to repay the loan within 1 calendar year and if the loan is recorded in the state accounting records. An accounting entity receiving a loan or an accounting entity from which a loan is made may not be so impaired that all proper demands on the accounting entity cannot be met even if the loan is extended.

(b) (i) When an expenditure from a fund or subfund designated in 17-2-102(4) is necessary and the cash balance in the fund or subfund from which the expenditure is to be made is insufficient, the commissioner of higher education may authorize a temporary loan, bearing interest as provided in subsection (4) of this section, of money from the agency's other funds or subfunds if there is reasonable evidence that the income will be sufficient to repay the loan within 1 calendar year and if the loan is recorded in the state accounting records. A fund or subfund receiving a loan or from which a loan is made may not be so impaired that all proper demands on the fund or subfund cannot be met even if the loan is extended.

(ii) One accounting entity within each fund or subfund designated in 17-2-102(4) must be established for the sole purpose of recording loans between the funds or subfunds. This accounting entity is the only accounting entity within each fund or subfund that may receive a loan or from which a loan may be made.

(c) A loan made under subsection (2)(a) or (2)(b) must be repaid within 1 calendar year of the date on which the loan is approved unless it is extended under subsection (3) or by specific legislative authorization.

(3) Under unusual circumstances, the director of the department or the board of regents may grant one extension for up to 1 year for a loan made under subsection (2)(a) or (2)(b). The director or board shall prepare a written justification and proposed repayment plan for each loan extension authorized and shall furnish a copy of the written justification and proposed repayment plan to the house appropriations and senate finance and claims committees at the next legislative session.

(4) Any loan from the current unrestricted subfund to funds designated in 17-2-102(4)(a)(iv) and (4)(b) through (4)(f) must bear interest at a rate equivalent to the previous fiscal year's average rate of return on the board of investments' short-term investment pool.

(5) If for 2 consecutive fiscal years a loan or an extension of a loan has been authorized to the same accounting entity as provided in subsection (2) or (3), the department or the commissioner of higher education shall submit to the legislative finance committee by September 1 of the following fiscal year a written report containing an explanation as to why the second loan or extension was made, an analysis of the solvency of the accounting entity or accounting entities within the university fund or subfund, and a plan for repaying the loans.

(6) If for 2 consecutive fiscal years an accounting entity in a fund or subfund designated in 17-2-102(4) has a negative cash balance, the commissioner of higher education shall submit to the legislative finance committee by September 1 of the following fiscal year a written report containing an explanation as to why the accounting entity has a negative cash balance, an analysis of the solvency of the accounting entity, and a plan to address any problems concerning the accounting entity's negative cash balance or solvency.

(7) (a) An accounting entity in a fund designated in 17-2-102(1) through (3) may not have a negative cash balance at fiscal yearend. The department may, however, allow a fund type within each agency to carry a negative balance at any point during the fiscal year if the negative cash balance does not exist for more than 7 working days.

(b) (i) Except as provided in subsection (7)(b)(ii) of this section, a unit of the university system shall maintain a positive cash balance in the funds and subfunds designated in 17-2-102(4).

(ii) If a fund or subfund inadvertently has a negative cash balance, the department may allow the fund or subfund to carry the negative cash balance for no more than 7 working days. If the negative cash balance exists for more than 7 working days, a transaction may not be processed through the statewide accounting system for that fund or subfund.

(8) Notwithstanding the provisions of subsections (2) through (4), the department may authorize loans to accounting entities in the federal and state special revenue funds with long-term repayment whenever necessary because of the timing of the receipt of agreed-upon reimbursements from federal, private, or other governmental entity sources for disbursements made. If possible, the loans must be made from funds other than the general fund. The department may approve the loans if the requesting agency can demonstrate that the total loan balance does not exceed total receivables from federal, private, or other governmental entity sources and receivables have been billed on a timely basis. The loan must be repaid under terms and conditions that may be determined by the department or by specific legislative authorization.

(9) *A loan may not be authorized under this section to any fund or accounting entity that is owed federal or other third-party funds unless the requesting agency certifies to the agency approving the loan that it has and will continue to bill the federal government or other third party for the requesting agency's share of costs incurred in the fund or accounting entity on the earliest date allowable under federal or other third-party regulations applicable to the program. The requesting agency shall recertify its timely billing status to the agency that approved the loan at least monthly during the term of the loan. If at any time the requesting agency fails to recertify the timely billing, the agency that approved the loan shall cancel the loan and return the money to its original source."*

Section 2. Effective date. [This act] is effective on passage and approval.

Approved August 13, 2002

CHAPTER NO. 9

[HB 5]

AN ACT REVISING TRANSFERS FROM THE STATE GENERAL FUND TO THE DEPARTMENT OF TRANSPORTATION STATE SPECIAL REVENUE NONRESTRICTED ACCOUNT; REVISING CERTAIN TRANSFERS OF FUNDS TO THE RESEARCH AND COMMERCIALIZATION STATE SPECIAL REVENUE ACCOUNT; AMENDING SECTIONS 15-1-122 AND 15-35-108, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE.

Be it enacted by the Legislature of the State of Montana:

Section 1. Section 15-1-122, MCA, is amended to read:

"15-1-122. Fund transfers. (1) There is transferred from the state general fund to the adoption services account, provided for in 42-2-105, \$36,764 for fiscal year 2003. Beginning with fiscal year 2004, the amount of the transfer must be increased by 10% in each succeeding fiscal year.

(2) There is transferred from the state general fund to the department of transportation state special revenue nonrestricted account the following amounts:

- ~~(a) \$2,873,853 in fiscal year 2002;~~
- ~~(b)(a) \$2,916,961 \$75,000 in fiscal year 2003;~~
- ~~(c)(b) \$2,960,715 in fiscal year 2004; and~~
- ~~(d)(c) in each succeeding fiscal year, the amount in subsection (2)(c) (2)(b), increased by 1.5% in each succeeding fiscal year.~~

(3) For fiscal year 2002 and for each succeeding fiscal year, there is transferred from the state general fund to the accounts, entities, or recipients indicated the following amounts:

(a) to the motor vehicle recycling and disposal program provided for in Title 75, chapter 10, part 5:

(i) \$2 for each new application for a motor vehicle title and for each transfer of a motor vehicle title for which a fee is paid pursuant to 61-3-203; and

(ii) \$1 for each passenger car or truck under 8,001 pounds GVW registered for licensing pursuant to Title 61, chapter 3, part 3. Fifteen cents of each dollar must be used for the purpose of reimbursing the hired removal of abandoned vehicles during the calendar year following the calendar year in which the fee was paid. Any portion of the 15 cents not used for abandoned vehicle removal reimbursement during the calendar year following its payment must be used as provided in 75-10-532;

(b) to the noxious weed state special revenue account provided for in 80-7-816:

(i) \$1 for each off-highway vehicle subject to payment of the fee in lieu of tax, as provided for in 23-2-803; and

(ii) \$1.50 for each light vehicle, truck or bus weighing less than 1 ton, logging truck, vehicles weighing more than 1 ton, motorcycle, quadricycle, and motor home subject to registration or reregistration pursuant to 61-3-321;

(c) to the department of fish, wildlife, and parks:

(i) \$2.50 for each motorboat, sailboat, or personal watercraft receiving a certificate of number under 23-2-512, with 20% of the amount received to be used to acquire and maintain pumpout equipment and other boat facilities;

(ii) \$5 for each snowmobile registered under 23-2-616, with \$2.50 to be used for enforcing the purposes of 23-2-601 through 23-2-644 and \$2.50 designated for use in the development, maintenance, and operation of snowmobile facilities;

(iii) \$1 for each duplicate snowmobile decal issued under 23-2-617;

(iv) \$5 for each off-highway vehicle decal issued under 23-2-804 and each off-highway vehicle duplicate decal issued under 23-2-809, with 40% of the money used to enforce the provisions of 23-2-804 and 60% of the money used to develop and implement a comprehensive program and to plan appropriate off-highway vehicle recreational use;

(v) to the state special revenue fund established in 23-1-105, \$3.50 for each recreational vehicle, camper, motor home, and travel trailer registered or reregistered and subject to the fee in 61-3-321 or 61-3-524; and

(vi) an amount equal to 20% of the funds collected pursuant to 23-2-518 to be deposited in the motorboat account to be used as provided in 23-2-533;

(d) to the state veterans' cemetery account, provided for in 10-2-603, \$10 for each veteran's license plate issued pursuant to 61-3-332(10)(a)(ii), (10)(f), and (10)(h); and

(e) to the supplemental benefits for highway patrol officers' retirement account provided for in 19-6-709, 25 cents for each motor vehicle registered, other than trailers or semitrailers registered in other jurisdictions and registered through a proportional registration agreement; and

(f) 25 cents a year for each vehicle subject to the fee in 61-3-321(6) for deposit in the state special revenue fund to the credit of the senior citizens and persons with disabilities transportation services account provided for in 7-14-112.

(4) For fiscal year 2002, there is transferred from the state general fund to the state special revenue fund to be used for purposes of state funding of district court expenses, as provided in 3-5-901, \$5,742,983 in lieu of the amount deposited by the state treasurer under 61-3-509(3), as that subsection read prior to the amendment of 61-3-509 in 2001.

(5) For each fiscal year, beginning with fiscal year 2002, the department of justice shall provide to the department of revenue a count of the vehicles required for the calculations in subsection (3). Transfer amounts for fiscal year 2002 must be based on vehicle counts for calendar year 2000. Transfer amounts in each succeeding fiscal year must be based on vehicle counts in the most recent calendar year for which vehicle information is available.

(6) The amounts transferred from the general fund to the designated recipient must be appropriated as state special revenue in the general appropriations act for the designated purposes."

Section 2. Section 15-35-108, MCA, is amended to read:

"15-35-108. (Temporary) Disposal of severance taxes. Severance taxes collected under this chapter must, in accordance with the provisions of 15-1-501, be allocated as follows:

(1) Fifty percent of total coal severance tax collections is allocated to the trust fund created by Article IX, section 5, of the Montana constitution. The trust fund money must be deposited in the fund established under 17-6-203(6) and invested by the board of investments as provided by law.

(2) Twelve percent of coal severance tax collections is allocated to the long-range building program account established in 17-7-205.

(3) The amount of 8.36% must be credited to an account in the state special revenue fund to be allocated by the legislature for local impacts, county land planning, provision of basic library services for the residents of all counties through library federations and for payment of the costs of participating in regional and national networking, conservation districts, and the Montana Growth Through Agriculture Act. Expenditures of the allocation may be made only from this account. Money may not be transferred from this account to another account other than the general fund. Any unreserved fund balance at the end of each fiscal year must be deposited in the general fund.

(4) The amount of 1.27% must be allocated to a permanent fund account for the purpose of parks acquisition or management. Income from this permanent fund account, excluding unrealized gains and losses, must be appropriated for the acquisition, development, operation, and maintenance of any sites and areas described in 23-1-102.

(5) The amount of 0.95% must be allocated to the debt service fund type to the credit of the renewable resource loan debt service fund.

(6) The amount of 0.63% must be allocated to a trust fund for the purpose of protection of works of art in the capitol and for other cultural and aesthetic projects. Income from this trust fund, excluding unrealized gains and losses, must be appropriated for protection of works of art in the state capitol and for other cultural and aesthetic projects.

(7) (a) Subject to subsections (7)(b) and (7)(c), all other revenue from severance taxes collected under the provisions of this chapter must be credited to the general fund of the state.

(b) The interest income from \$140 million of the coal severance tax permanent fund that is deposited in the general fund is statutorily appropriated, as provided in 17-7-502, on an annual basis as follows:

- (i) \$65,000 to the cooperative development center;
- (ii) \$1.25 million for the growth through agriculture program provided for in Title 90, chapter 9;
- (iii) to the department of commerce:
 - (A) \$125,000 for a small business development center;
 - (B) \$50,000 for a small business innovative research program;
 - (C) \$425,000 for certified communities;
 - (D) \$200,000 for the Montana manufacturing extension center at Montana state university-Bozeman; and
 - (E) \$300,000 for export trade enhancement;
- (iv) \$350,000 to the office of economic development for business recruitment and retention; and
- (v) \$600,000 to the department of administration for the purpose of reimbursing tax increment financing industrial districts as provided in 7-15-4299. Reimbursement must be

made to qualified districts on a proportional basis to the loss of taxable value as a result of Chapter 285, Laws of 1999, and as documented by the department of revenue. This documentation must be provided to the budget director and to the legislative fiscal analyst. The reimbursement may not be used to pay debt service on tax increment bonds to the extent that the bonds are secured by a guaranty, a letter of credit, or a similar arrangement provided by or on behalf of an owner of property within the district.

(c) *Beginning For the fiscal year beginning July 1, 2001, there is transferred annually from the interest income referred to in subsection (7)(b) \$4.85 million to the research and commercialization state special revenue account created in 90-3-1002. For the fiscal year beginning July 1, 2002, there is transferred from the interest income referred to in subsection (7)(b) \$3.165 million to the research and commercialization state special revenue account created in 90-3-1002. Beginning July 1, 2003, there is transferred annually from the interest income referred to in subsection (7)(b) \$3.65 million to the research and commercialization state special revenue account created in 90-3-1002. (Terminates June 30, 2005—sec. 10(2), Ch. 10, Sp. L. May 2000.)*

15-35-108. (Effective July 1, 2005) Disposal of severance taxes. Severance taxes collected under this chapter must, in accordance with the provisions of 15-1-501, be allocated as follows:

(1) Fifty percent of total coal severance tax collections is allocated to the trust fund created by Article IX, section 5, of the Montana constitution. The trust fund money must be deposited in the fund established under 17-6-203(6) and invested by the board of investments as provided by law.

(2) Twelve percent of coal severance tax collections is allocated to the long-range building program account established in 17-7-205.

(3) The amount of 8.36% must be credited to an account in the state special revenue fund to be allocated by the legislature for local impacts, county land planning, provision of basic library services for the residents of all counties through library federations and for payment of the costs of participating in regional and national networking, conservation districts, and the Montana Growth Through Agriculture Act. Expenditures of the allocation may be made only from this account. Money may not be transferred from this account to another account other than the general fund. Any unreserved fund balance at the end of each fiscal year must be deposited in the general fund.

(4) The amount of 1.27% must be allocated to a permanent fund account for the purpose of parks acquisition or management. Income from this permanent fund account, excluding unrealized gains and losses, must be appropriated for the acquisition, development, operation, and maintenance of any sites and areas described in 23-1-102.

(5) The amount of 0.95% must be allocated to the debt service fund type to the credit of the renewable resource loan debt service fund.

(6) The amount of 0.63% must be allocated to a trust fund for the purpose of protection of works of art in the capitol and for other cultural and aesthetic projects. Income from this trust fund account, excluding unrealized gains and losses, must be appropriated for protection of works of art in the state capitol and for other cultural and aesthetic projects.

(7) All other revenue from severance taxes collected under the provisions of this chapter must be credited to the general fund of the state."

Section 3. Effective date. [This act] is effective on passage and approval.

Section 4. Retroactive applicability. [This act] applies retroactively, within the meaning of 1-2-109, to transfers in fiscal years beginning July 1, 2001.

Approved August 16, 2002

CHAPTER NO. 10

[HB 7]

AN ACT REDUCING THE GENERAL FUND SHORTFALL IN REVENUE BY CHANGING THE FUND DESIGNATION FOR THE GUARANTEE FUND FROM A SUBFUND OF THE GENERAL FUND TO A STATE SPECIAL REVENUE FUND; PROVIDING A STATUTORY APPROPRIATION; AMENDING SECTIONS 17-7-502, 20-9-342, 20-9-343, AND 20-9-622, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE.

Be it enacted by the Legislature of the State of Montana:

Section 1. Section 17-7-502, MCA, is amended to read:

"17-7-502. Statutory appropriations — definition — requisites for validity. (1) A statutory appropriation is an appropriation made by permanent law that authorizes spending by a state agency without the need for a biennial legislative appropriation or budget amendment.

(2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with both of the following provisions:

(a) The law containing the statutory authority must be listed in subsection (3).

(b) The law or portion of the law making a statutory appropriation must specifically state that a statutory appropriation is made as provided in this section.

(3) The following laws are the only laws containing statutory appropriations: 2-15-151; 2-17-105; 5-13-403; 10-3-203; 10-3-310; 10-3-312; 10-3-314; 10-4-301; 15-1-111; 15-1-113; 15-1-121; 15-23-706; 15-35-108; 15-36-324; 15-37-117; 15-38-202; 15-65-121; 15-70-101; 17-3-106; 17-3-212; 17-3-222; 17-3-241; 17-6-101; 17-7-304; 18-11-112; 19-3-319; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-305; 19-19-506; 19-20-604; 20-8-107; 20-9-534; 20-9-622; 20-26-1503; 22-3-1004; 23-5-136; 23-5-306; 23-5-409; 23-5-612; 23-5-631; 23-7-301; 23-7-402; 37-43-204; 37-51-501; 39-71-503; 42-2-105; 44-12-206; 44-13-102; 50-4-623; 53-6-703; 53-24-206; 69-8-702; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 80-2-222; 80-4-416; 80-5-510; 80-11-518; 82-11-161; 87-1-513; 90-3-1003; 90-6-710; and 90-9-306.

(4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing, paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory appropriation authority for the payments. (In subsection (3): pursuant to Ch. 422, L. 1997, the inclusion of 15-1-111 terminates on July 1, 2008, which is the date that section is repealed; pursuant to sec. 10, Ch. 360, L. 1999, the inclusion of 19-20-604 terminates when the amortization period for the teachers' retirement system's unfunded liability is 10 years or less; pursuant to sec. 4, Ch. 497, L. 1999, the inclusion of 15-38-202 terminates July 1, 2014; pursuant to sec. 10(2), Ch. 10, Sp. L. May 2000, the inclusion of 15-35-108 and 90-6-710 terminates June 30, 2005; pursuant to sec. 17, Ch. 414, L. 2001, the inclusion of 2-15-151 terminates December 31, 2006; and pursuant to sec. 2, Ch. 594, L. 2001, the inclusion of 17-3-241 becomes effective July 1, 2003.)"

Section 2. Section 20-9-342, MCA, is amended to read:

"20-9-342. Deposit of interest and income money by state board of land commissioners. The state board of land commissioners shall annually deposit the interest and income money for each calendar year into ~~a subfund of the state general fund~~ *the fund guarantee account, provided for in 20-9-622*, for state equalization aid by the last business day of February following the calendar year in which the money was received."

Section 3. Section 20-9-343, MCA, is amended to read:

"20-9-343. Definition of and revenue for state equalization aid. (1) As used in this title, the term "state equalization aid" means revenue as required in this section for:

(a) distribution to the public schools for guaranteed tax base aid, BASE aid, state reimbursement for school facilities, and grants for school technology purchases; and

(b) negotiated payments authorized under 20-7-420(3) up to \$500,000 a biennium.

(2) The superintendent of public instruction may spend throughout the biennium funds appropriated for the purposes of guaranteed tax base aid, BASE aid for the BASE funding program, state reimbursement for school facilities, negotiated payments authorized under 20-7-420(3), and school technology purchases.

(3) The following money must be paid into ~~a subfund of the state general fund~~ *the fund guarantee account, provided for in 20-9-622*, for the public schools of the state as indicated:

(a) (i) subject to subsection (3)(a)(ii), interest and income money described in 20-9-341 and 20-9-342; and

(ii) an amount of money equal to the income money attributable to the difference between the average sale value of 18 million board feet and the total income produced from the annual timber harvest on common school trust lands during the fiscal year ~~to the school technology account in the state special revenue fund~~, which is statutorily appropriated, pursuant to 20-9-534, to be used for the purposes of 20-9-533;

(b) investment income earned by investing interest and income money described in 20-9-341 and 20-9-342."

Section 4. Section 20-9-622, MCA, is amended to read:

"20-9-622. ~~Guarantee account~~ Guarantee account. (1) There is a ~~guarantee account~~ *guarantee account* in a subfund of the state ~~general special revenue fund~~. The ~~guarantee account~~ *guarantee account* is intended to:

(a) stabilize the long-term growth of the permanent fund; and

(b) ~~to~~ maintain a constant and increasing distributable revenue stream. All realized capital gains and all distributable revenue must be deposited in the ~~guarantee account~~ *guarantee account*. Except as provided in ~~subsection~~ *subsections* (2) and (3), the ~~guarantee account must be distributed~~ *guarantee account is statutorily appropriated, as provided in 17-7-502, for distribution to school districts through the basic and per-ANB entitlements school equalization aid as provided in 20-9-343.*

(2) As long as a portion of the coal severance tax loan authorized in section 8, Chapter 418, Laws of 2001, is outstanding, the department of natural resources and conservation shall annually transfer from the ~~guarantee account~~ *guarantee account* to the general fund an amount that represents the amount of interest income that would be earned from the investment of the amount of the loan that is outstanding in the prior year.

(3) *The revenue distributed through 20-9-534 must be used for the purposes of 20-9-533."*

Section 5. Coordination instruction. (1) If [this act] and House Bill No. 4 are both passed and approved and both bills contain a section amending 20-9-343, then the coordination instruction in House Bill No. 4 is void and section 20-9-343 must read as follows:

"20-9-343. Definition of and revenue for state equalization aid. (1) As used in this title, the term "state equalization aid" means revenue as required in this section for:

(a) distribution to the public schools for guaranteed tax base aid, BASE aid, state reimbursement for school facilities, and grants for school technology purchases; and

(b) negotiated payments authorized under 20-7-420(3) up to \$500,000 a biennium.

(2) The superintendent of public instruction may spend throughout the biennium funds appropriated for the purposes of guaranteed tax base aid, BASE aid for the BASE funding program, state reimbursement for school facilities, negotiated payments authorized under 20-7-420(3), and school technology purchases.

(3) ~~The~~ *From July 1, 2001, through June 30, 2003, the* following money must be paid into a ~~subfund of the state general fund~~ *the guarantee account provided for in 20-9-622* for the public schools of the state as indicated:

(a) ~~(i) subject to subsection (3)(a)(ii), interest and income money described in 20-9-341 and 20-9-342; and~~

~~(ii) an amount of money equal to the income money attributable to the difference between the average sale value of 18 million board feet and the total income produced from the annual timber harvest on common school trust lands during the fiscal year to the school technology account in the state special revenue fund, which is statutorily appropriated, pursuant to 20-9-534, to be used for the purposes of 20-9-533;~~

(b) investment income earned by investing interest and income money described in 20-9-341 and 20-9-342.

(4) *Beginning July 1, 2003, the following money must be paid into the guarantee account provided for in 20-9-622 for the public schools of the state as indicated:*

(a) *(i) subject to subsection (4)(a)(ii), interest and income money described in 20-9-341 and 20-9-342; and*

(ii) an amount of money equal to the income money attributable to the difference between the average sale value of 18 million board feet and the total income produced from the annual timber harvest on common school trust lands during the fiscal year, which is statutorily appropriated, pursuant to 20-9-534, to be used for the purposes of 20-9-533;

(b) investment income earned by investing interest and income money described in 20-9-341 and 20-9-342."

(2) If [this act] is passed and approved but House Bill No. 4 is not passed and approved, then section 20-9-534, must read as follows:

"20-9-534. School technology purchases. By September 1, the superintendent of public instruction shall allocate the annual amount for grants for school technology purchases to each district based on the ratio that each district's BASE budget bears to the statewide BASE budget amount for all school districts multiplied by the amount of money provided in ~~20-9-343(3)(a)(ii)~~ 20-9-343(4)(a)(ii) in the prior fiscal year. The grants for school technology purchases are statutorily appropriated, as provided in 17-7-502."

(3) If [this act] is passed and approved but House Bill No. 4 is not passed and approved, then section 20-9-620 must read as follows:

"20-9-620. Definition. (1) As used in 20-9-621, 20-9-622, and this section, "distributable revenue" means, except for that portion of revenue described in ~~20-9-343(3)(a)(ii)~~ 20-9-343(4)(a)(ii), 77-1-607, and 77-1-613, 95% of all revenue from the management of school trust lands and the permanent fund, including timber sale proceeds, lease fees, interest, dividends, and net realized capital gains.

(2) The term does not include mineral royalties or land sale proceeds that are deposited directly in the permanent fund or net unrealized capital gains that remain in the permanent fund until realized."

Section 6. Effective date — retroactive applicability. [This act] is effective on passage and approval and applies retroactively, within the meaning of 1-2-109, to the fiscal year beginning July 1, 2001.

Approved August 16, 2002

CHAPTER NO. 11

[HB 8]

AN ACT SWITCHING \$198,575 OF FUNDING FOR CULTURAL AND AESTHETIC GRANTS FROM THE GENERAL FUND TO THE LODGING FACILITY USE TAX; AMENDING SECTION 15-65-121, MCA, AND SECTION 2, CHAPTER 434, LAWS OF 2001; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

Be it enacted by the Legislature of the State of Montana:

Section 1. Section 2, Chapter 434, Laws of 2001, is amended to read:

“Section 2. Appropriation of general fund, lodging facility use tax, and cultural and aesthetic grant funds. (1) (a) There is appropriated \$300,000 of general fund money in fiscal year 2002 ~~and \$223,575 of general fund money in fiscal year 2003~~ to the Montana arts council for the projects approved in this section. The general fund appropriation is a continuing appropriation for the biennium.

(b) *There is appropriated in fiscal year 2003 to the Montana arts council for the projects approved in this section \$198,575 of the lodging facility use tax money that had been appropriated to the department of commerce under 15-65-121(1)(d).*

(2) The following projects are approved and amounts are appropriated to the Montana arts council for the biennium ending June 30, 2003, from the cultural and aesthetic projects account first and the general fund last:

(a) Category 1 - Special Projects \$4,500 or Less:

Grantee	Amount
Montana Storytelling Roundup	\$4,500
Council for the Arts, Lincoln	2,500
Miles City Preservation Commission	4,000
Montana Oral History Association	4,000
All Nations Pishkun Association	3,000
Swan Ecosystem Center	2,800

(b) Category 2 - Special Projects:

Montana Committee for the Humanities	32,000
VIAS, Inc.	22,000
Glacier Orchestra & Chorale	22,000
MCT, Missoula Children’s Theatre	10,000
KUFM-TV	11,000
Bozeman Symphony	10,000
Hockaday Museum of Art	15,000
Miles Community College	6,000
Valley County Coalition	12,000
Montana Repertory Theatre	20,000
Missoula Symphony Association	5,000
Montana Arts	20,000
Montana Historical Society	20,000
Montana Performing Arts Consortium	20,000
Rocky Mountain Ballet Theater	7,000
Lewistown Art Center	8,000
Museum of the Rockies	10,000
Southwest Montana Arts Council	10,000
Montana Alliance for Arts Education	10,000
VSA of Montana	7,000
Madison Valley Cultural Corp.	4,000
Artslink, College of Arts & Architecture, MSU	5,000
Mineral Museum	5,000

(c) Category 3 - Operational Support:

Western Heritage Center	14,000
Montana Art Gallery Directors Association	25,000
Writer’s Voice (Billings YMCA)	25,000

Custer County Art Center	22,000
Carbon County Historical Society	16,000
Art Museum of Missoula	20,000
Shakespeare in the Parks	18,000
Billings Symphony Society	20,000
Alberta Bair Theater	18,000
Montana Dance Arts Association	5,000
Great Falls Symphony Association	12,000
Butte Center for the Performing Arts	20,000
Fort Peck Community College	15,000
Schoolhouse History and Art Center	20,000
Young Audiences of Western Montana	10,000
Holter Museum of Art	10,000
Montana Agricultural Center & Museum	12,000
Archie Bray Foundation	15,000
Butte Symphony Association	15,000
Growth Thru Art Inc.	20,000
Vigilante Theatre Company	18,000
Helena Symphony Association	12,000
Big Horn Arts & Crafts Assoc./Jailhouse Gallery	10,000
Montana Association of Symphony Orchestras	15,000
Montana Transport Company	12,000
Yellowstone Art Museum	20,000
Whitefish Theatre Company	10,000
Montana Ballet Company	10,000
Livingston Depot Foundation	15,000
Yellowstone Ballet Company	6,000
Artist Group, The	1,600

(d) Category 4 - Capital Expenditures:

Cascade County Historical Society	20,000
Billings Preservation Society	20,000
Butte-Silver Bow Public Archives	20,000
Belt Public Library	16,500
Arlee Historical Society	1,655
Fort Peck Fine Arts Council	16,000
Daly Mansion	20,000
Paris Gibson Square	5,000
Liberty Village Arts Center	2,775
Tobacco Valley Improvement Assoc. Board of Art	18,000
Bitterroot Community Band	6,000
Great Falls Civic Center	6,800"

Section 2. Section 15-65-121 , MCA, is amended to read:

"15-65-121. (Temporary) Distribution of tax proceeds. (1) The proceeds of the tax imposed by 15-65-111 must, in accordance with the provisions of 15-1-501, be deposited in an account in the state special revenue fund to the credit of the department. The department may spend from that account in accordance with an expenditure appropriation by the legislature based on an estimate of the costs of collecting and disbursing the proceeds of the tax. Before allocating the balance of the tax proceeds in accordance with the provisions of 15-1-501 and as provided in subsections (1)(a) through (1)(e) of this section, the department shall determine the expenditures by state agencies for in-state lodging for each reporting period and deduct 4% of that amount from the tax proceeds received each reporting period. The amount deducted must be deposited in the fund or funds from which in-state lodging expenditures were paid by state

agencies. The amount of \$400,000 each year must be deposited in the Montana heritage preservation and development account provided for in 22-3-1004. The balance of the tax proceeds received each reporting period and not deducted pursuant to the expenditure appropriation, deposited in the fund or funds from which in-state lodging expenditures were paid by state agencies, or deposited in the heritage preservation and development account is statutorily appropriated, as provided in 17-7-502, and must be transferred to an account in the state special revenue fund to the credit of the department of commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials, to the Montana historical society, to the university system, and to the department of fish, wildlife, and parks, as follows:

(a) 1% to the Montana historical society to be used for the installation or maintenance of roadside historical signs and historic sites;

(b) 2.5% to the university system for the establishment and maintenance of a Montana travel research program;

(c) 6.5% to the department of fish, wildlife, and parks for the maintenance of facilities in state parks that have both resident and nonresident use;

(d) 67.5% to be used directly by the department of commerce, *except as provided in [section 1]*; and

(e) (i) except as provided in subsection (1)(e)(ii), 22.5% to be distributed by the department to regional nonprofit tourism corporations in the ratio of the proceeds collected in each tourism region to the total proceeds collected statewide; and

(ii) if 22.5% of the proceeds collected annually within the limits of a city, consolidated city-county, resort area, or resort area district exceeds \$35,000, 50% of the amount available for distribution to the regional nonprofit tourism corporation in the region where the city, consolidated city-county, resort area, or resort area district is located, to be distributed to the nonprofit convention and visitors bureau in that city, consolidated city-county, resort area, or resort area district.

(2) If a city, consolidated city-county, resort area, or resort area district qualifies under this section for funds but fails to either recognize a nonprofit convention and visitors bureau or submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds must be allocated to the regional nonprofit tourism corporation in the region in which the city, consolidated city-county, resort area, or resort area district is located.

(3) If a regional nonprofit tourism corporation fails to submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds otherwise allocated to the regional nonprofit tourism corporation may be used by the department of commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials. (Terminates July 1, 2007—sec. 3, Ch. 469, L. 2001.)

15-65-121. (Effective July 1, 2007) Distribution of tax proceeds. (1) The proceeds of the tax imposed by 15-65-111 must, in accordance with the provisions of 15-1-501, be deposited in an account in the state special revenue fund to the credit of the department. The department may spend from that account in accordance with an expenditure appropriation by the legislature based on an estimate of the costs of collecting and disbursing the proceeds of the tax. Before allocating the balance of the tax proceeds in accordance with the provisions of 15-1-501 and as provided in subsections (1)(a) through (1)(e) of this section, the department shall determine the expenditures by state agencies for in-state lodging for each reporting period and deduct 4% of that amount from the tax proceeds received each reporting period. The amount deducted must be deposited in the fund or funds from which in-state lodging expenditures were paid by state agencies. The balance of the tax proceeds received each reporting period and not deducted pursuant to the expenditure appropriation or deposited in the fund or funds from which in-state lodging expenditures were paid by state agencies is statutorily appropriated, as provided in 17-7-502, and must be transferred to an account in the state special revenue fund to the credit of the department of commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials, to the Montana historical society, to the university system, and to the department of fish, wildlife, and parks, as follows:

(a) 1% to the Montana historical society to be used for the installation or maintenance of roadside historical signs and historic sites;

(b) 2.5% to the university system for the establishment and maintenance of a Montana travel research program;

(c) 6.5% to the department of fish, wildlife, and parks for the maintenance of facilities in state parks that have both resident and nonresident use;

(d) 67.5% to be used directly by the department of commerce; and

(e) (i) except as provided in subsection (1)(e)(ii), 22.5% to be distributed by the department to regional nonprofit tourism corporations in the ratio of the proceeds collected in each tourism region to the total proceeds collected statewide; and

(ii) if 22.5% of the proceeds collected annually within the limits of a city, consolidated city-county, resort area, or resort area district exceeds \$35,000, 50% of the amount available for distribution to the regional nonprofit tourism corporation in the region where the city, consolidated city-county, resort area, or resort area district is located, to be distributed to the nonprofit convention and visitors bureau in that city, consolidated city-county, resort area, or resort area district.

(2) If a city, consolidated city-county, resort area, or resort area district qualifies under this section for funds but fails to either recognize a nonprofit convention and visitors bureau or submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds must be allocated to the regional nonprofit tourism corporation in the region in which the city, consolidated city-county, resort area, or resort area district is located.

(3) If a regional nonprofit tourism corporation fails to submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds otherwise allocated to the regional nonprofit tourism corporation may be used by the department of commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials."

Section 3. Effective date. [This act] is effective on passage and approval.

Approved August 16, 2002

CHAPTER NO. 12

[HB 10]

AN ACT REVISING CERTAIN ALLOCATIONS OF REVENUE FROM THE COAL SEVERANCE TAX, OIL AND NATURAL GAS PRODUCTION TAXES, AND METALLIFEROUS MINES LICENSE TAX TO INCREASE THE PORTION ALLOCATED TO THE STATE GENERAL FUND; REVISING ALLOCATIONS FOR CERTAIN CAPITAL PROJECTS; AMENDING SECTIONS 15-35-108, 15-36-324, AND 15-37-117, MCA, SECTION 2, CHAPTER 557, LAWS OF 1999, AND SECTION 2, CHAPTER 573, LAWS OF 2001; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE, A RETROACTIVE APPLICABILITY DATE, AND TERMINATION DATES.

Be it enacted by the Legislature of the State of Montana:

Section 1. Section 15-35-108, MCA, is amended to read:

"15-35-108. (Temporary) Disposal of severance taxes. Severance taxes collected under this chapter must, in accordance with the provisions of 15-1-501, be allocated as follows:

(1) Fifty percent of total coal severance tax collections is allocated to the trust fund created by Article IX, section 5, of the Montana constitution. The trust fund money must be deposited in the fund established under 17-6-203(6) and invested by the board of investments as provided by law.

(2) *For the fiscal year ending June 30, 2003, the amount of 10% and for fiscal years beginning on or after July 1, 2003, the amount of 12% ~~Twelve percent~~ of coal severance tax collections is allocated to the long-range building program account established in 17-7-205.*

(3) ~~The~~ *For the fiscal year ending June 30, 2003, the amount of 6.01% and for fiscal years beginning on or after July 1, 2003, the amount of 8.36% must be credited to an account in the state special revenue fund to be allocated by the legislature for local impacts, county land planning, provision of basic library services for the residents of all counties through library federations and for payment of the costs of participating in regional and national networking, conservation districts, and the Montana Growth Through Agriculture Act. Expenditures of the allocation may be made only from this account. Money may not be transferred from this account to another account other than the general fund. Any unreserved fund balance at the end of each fiscal year must be deposited in the general fund.*

(4) ~~The~~ *For fiscal years beginning on or after July 1, 2003, the amount of 1.27% must be allocated to a permanent fund account for the purpose of parks acquisition or management. Income from this permanent fund account, excluding unrealized gains and losses, must be appropriated for the acquisition, development, operation, and maintenance of any sites and areas described in 23-1-102.*

(5) The amount of 0.95% must be allocated to the debt service fund type to the credit of the renewable resource loan debt service fund.

(6) ~~The~~ *For fiscal years beginning on or after July 1, 2003, the amount of 0.63% must be allocated to a trust fund for the purpose of protection of works of art in the capitol and for other cultural and aesthetic projects. Income from this trust fund, excluding unrealized gains and losses, must be appropriated for protection of works of art in the state capitol and for other cultural and aesthetic projects.*

(7) (a) Subject to subsections (7)(b) and (7)(c), all other revenue from severance taxes collected under the provisions of this chapter must be credited to the general fund of the state.

(b) The interest income from \$140 million of the coal severance tax permanent fund that is deposited in the general fund is statutorily appropriated, as provided in 17-7-502, on an annual basis as follows:

(i) \$65,000 to the cooperative development center;

(ii) *For the fiscal year beginning July 1, 2001, \$1.25 million, for the fiscal year beginning July 1, 2002, \$925,000, and for fiscal years beginning on or after July 1, 2003, \$1.25 million for the growth through agriculture program provided for in Title 90, chapter 9;*

~~(iii) to the department of commerce:~~

~~(A) \$125,000 for a small business development center;~~

~~(B) \$50,000 for a small business innovative research program;~~

~~(C) \$425,000 for certified communities;~~

~~(D) \$200,000 for the Montana manufacturing extension center at Montana state university-Bozeman; and~~

~~(E) \$300,000 for export trade enhancement;~~

~~(iv) \$350,000 to the office of economic development for business recruitment and retention; and~~

~~(iii) to the department of commerce:~~

~~(A) \$125,000 for a small business development center;~~

~~(B) \$50,000 for a small business innovative research program;~~

~~(C) except for the fiscal year beginning July 1, 2002, \$425,000 for certified communities;~~

~~(D) \$200,000 for the Montana manufacturing extension center at Montana state university-Bozeman; and~~

~~(E) \$300,000 for export trade enhancement;~~

~~(iv) \$175,000 to the office of economic development for business recruitment and retention; and~~

~~(v)~~ (v) \$600,000 to the department of administration for the purpose of reimbursing tax increment financing industrial districts as provided in 7-15-4299. Reimbursement must be made to qualified districts on a proportional basis to the loss of taxable value as a result of Chapter 285, Laws of 1999, and as documented by the department of revenue. This

documentation must be provided to the budget director and to the legislative fiscal analyst. The reimbursement may not be used to pay debt service on tax increment bonds to the extent that the bonds are secured by a guaranty, a letter of credit, or a similar arrangement provided by or on behalf of an owner of property within the district.

(c) Beginning July 1, 2001, there is transferred annually from the interest income referred to in subsection (7)(b) \$4.85 million to the research and commercialization state special revenue account created in 90-3-1002. (Terminates June 30, 2005—sec. 10(2), Ch. 10, Sp. L. May 2000.)

15-35-108. (Effective July 1, 2005) Disposal of severance taxes. Severance taxes collected under this chapter must, in accordance with the provisions of 15-1-501, be allocated as follows:

(1) Fifty percent of total coal severance tax collections is allocated to the trust fund created by Article IX, section 5, of the Montana constitution. The trust fund money must be deposited in the fund established under 17-6-203(6) and invested by the board of investments as provided by law.

(2) Twelve percent of coal severance tax collections is allocated to the long-range building program account established in 17-7-205.

(3) The amount of 8.36% must be credited to an account in the state special revenue fund to be allocated by the legislature for local impacts, county land planning, provision of basic library services for the residents of all counties through library federations and for payment of the costs of participating in regional and national networking, conservation districts, and the Montana Growth Through Agriculture Act. Expenditures of the allocation may be made only from this account. Money may not be transferred from this account to another account other than the general fund. Any unreserved fund balance at the end of each fiscal year must be deposited in the general fund.

(4) The amount of 1.27% must be allocated to a permanent fund account for the purpose of parks acquisition or management. Income from this permanent fund account, excluding unrealized gains and losses, must be appropriated for the acquisition, development, operation, and maintenance of any sites and areas described in 23-1-102.

(5) The amount of 0.95% must be allocated to the debt service fund type to the credit of the renewable resource loan debt service fund.

(6) The amount of 0.63% must be allocated to a trust fund for the purpose of protection of works of art in the capitol and for other cultural and aesthetic projects. Income from this trust fund account, excluding unrealized gains and losses, must be appropriated for protection of works of art in the state capitol and for other cultural and aesthetic projects.

(7) All other revenue from severance taxes collected under the provisions of this chapter must be credited to the general fund of the state."

Section 2. Section 15-36-324, MCA, is amended to read:

"15-36-324. (Temporary) Distribution of taxes — rules. (1) For each calendar quarter, the department shall determine the amount of tax, late payment interest, and penalty collected under this part. For purposes of distribution of the taxes to county and school taxing units, the department shall determine the amount of oil and natural gas production taxes paid on production in the taxing unit.

(2) Except as provided in subsections (3) through (5), oil production taxes must be distributed as follows:

(a) The amount equal to 39.3% of the oil production taxes, including late payment interest and penalty, collected under this part must be distributed as provided in subsection (9).

(b) The remaining 60.7% of the oil production taxes, plus accumulated interest earned on the amount allocated under this subsection (2)(b), must be deposited in the state special revenue fund in the state treasury and transferred to the county and school taxing units for distribution as provided in subsection (12).

(3) The amount equal to 100% of the oil production taxes, including late payment interest and penalty, collected from working interest owners on qualifying production occurring during the first 12 months of production must be distributed as provided in subsection (10).

(4) (a) The amount equal to 100% of the oil production taxes, including late payment interest and penalty, collected from working interest owners on production from horizontally completed wells occurring during the first 18 months of production must be distributed as provided in subsection (10).

(b) The amount equal to 100% of the oil production taxes, including late payment interest and penalty, collected from working interest owners on the incremental production from horizontally recompleted wells occurring during the first 18 months of production must be distributed as provided in subsection (9).

(5) (a) The amount equal to 13.8% of the oil production taxes, including late payment interest and penalty, collected from working interest owners on the first 10 barrels of stripper oil production wells must be distributed as provided in subsection (10).

(b) The remaining 86.2% of the oil production taxes, plus accumulated interest earned on the amount allocated under this subsection (5)(b), must be deposited in the state special revenue fund in the state treasury and transferred to the county and school taxing units for distribution as provided in subsection (12).

(c) The amount equal to 100% of the oil production taxes, including late payment interest and penalty, collected from working interest owners on stripper well exemption production from pre-1999 wells and post-1999 wells must be distributed as provided in subsection (10).

(6) Except as provided in subsections (7) and (8), natural gas production taxes must be allocated as follows:

(a) The amount equal to 14% of the natural gas production taxes, including late payment interest and penalty, collected under this part must be distributed as provided in subsection (11).

(b) The remaining 86% of the natural gas production taxes, plus accumulated interest earned on the amount allocated under this subsection (6)(b), must be deposited in the state special revenue fund in the state treasury and transferred to the county and school taxing units for distribution as provided in subsection (12).

(7) The amount equal to 100% of the natural gas production taxes, including late payment interest and penalty, collected from working interest owners under this part on production from wells occurring during the first 12 months of production must be distributed as provided in subsection (10).

(8) The amount equal to 100% of natural gas production taxes, including late payment interest and penalty, collected from working interest owners on production from horizontally completed wells occurring during the first 18 months of production must be distributed as provided in subsection (10).

(9) The department shall, in accordance with the provisions of 15-1-501, distribute the state portion of oil production taxes specified in subsections (2)(a) and (4)(b), including late payment interest and penalty collected, as follows:

(a) 86.21% to the state general fund;

(b) 5.17% to the state special revenue fund for the purpose of paying expenses of the board as provided in 82-11-135; and

(c) 8.62% to be distributed as follows:

(i) a total of \$400,000, including the proceeds from subsections (10)(b)(i) and (11)(c)(i), to the coal bed methane protection account established in 76-15-904;

(ii) *for the fiscal year ending June 30, 2003, all of the remaining proceeds to the state general fund;*

(iii) *for the fiscal years beginning on or after July 1, 2003, 50% of the remaining proceeds to the reclamation and development grants special revenue account established in 90-2-1104; and*

(iv) *for the fiscal years beginning on or after July 1, 2003, 50% of the remaining proceeds to the orphan share account established in 75-10-743.*

(10) The department shall distribute the state portion of oil and natural gas production taxes specified in subsections (3), (4)(a), (5)(a), (5)(c), (7), and (8), including late payment interest and penalty collected, as follows:

(a) 37.5% to the state special revenue fund for the purpose of paying expenses of the board as provided in 82-11-135; and

(b) 62.5% to be distributed as follows:

(i) a total of \$400,000, including the proceeds from subsections (9)(c)(i) and (11)(c)(i), to the coal bed methane protection account established in 76-15-904;

(ii) for the fiscal year ending June 30, 2003, all of the remaining proceeds to the state general fund;

~~(ii)~~*(iii) for the fiscal years beginning on or after July 1, 2003, 50% of the remaining proceeds to the reclamation and development grants special revenue account established in 90-2-1104; and*

~~(iii)~~*(iv) for the fiscal years beginning on or after July 1, 2003, 50% of the remaining proceeds to the orphan share account established in 75-10-743.*

(11) The department shall, in accordance with the provisions of 15-1-501, distribute the state portion of natural gas production taxes specified in subsection (6)(a), including late payment interest and penalty collected, as follows:

(a) 76.8% to the state general fund;

(b) 8.7% to the state special revenue fund for the purpose of paying expenses of the board as provided in 82-11-135; and

(c) 14.5% to be distributed as follows:

(i) a total of \$400,000, including the proceeds from subsections (9)(c)(i) and (10)(b)(i), to the coal bed methane protection account established in 76-15-904;

(ii) for the fiscal year ending June 30, 2003, all of the remaining proceeds to the state general fund;

~~(ii)~~*(iii) for the fiscal years beginning on or after July 1, 2003, 50% of the remaining proceeds to the reclamation and development grants special revenue account established in 90-2-1104; and*

~~(iii)~~*(iv) for the fiscal years beginning on or after July 1, 2003, 50% of the remaining proceeds to the orphan share account established in 75-10-743.*

(12) (a) By the dates referred to in subsection (13), the department shall, except as provided in subsection (12)(b), calculate and distribute oil and natural gas production taxes received under subsections (2)(b), (5)(b), and (6)(b) to each eligible county in proportion to the oil and natural gas production taxes received under subsections (2)(b), (5)(b), and (6)(b) that are attributable to production in that county.

(b) The department shall distribute 5% of the oil and natural gas production taxes received under subsections (2)(b), (5)(b), and (6)(b) from pre-1999 wells to eligible counties in proportion to the underfunding that would have occurred from the tax liability distribution of pre-1985 oil and natural gas production taxes for production in calendar year 1997.

(c) Except as provided in subsection (12)(d), the county treasurer shall distribute the money received under subsection (12)(b) to the taxing units that levied mills in fiscal year 1990 against calendar year 1988 production in the same manner that all other property tax proceeds were distributed during fiscal year 1990 in the taxing unit, except that a distribution may not be made to a municipal taxing unit.

(d) The board of county commissioners of a county may direct the county treasurer to reallocate the distribution of oil and natural gas production tax money that would have gone to a taxing unit, as provided in subsection (12)(c), to another taxing unit or taxing units, other than an elementary school or high school, within the county under the following conditions:

(i) The county treasurer shall first allocate the oil and natural gas production taxes to the taxing units within the county in the same proportion that all other property tax proceeds were distributed in the county in fiscal year 1990.

(ii) If the allocation in subsection (12)(d)(i) exceeds the total budget for a taxing unit, the commissioners may direct the county treasurer to allocate the excess to any taxing unit within the county.

(e) The board of trustees of an elementary or high school district may reallocate the oil and natural gas production taxes distributed to the district by the county treasurer under the following conditions:

(i) The district shall first allocate the oil and natural gas production taxes to the budgeted funds of the district in the same proportion that all other property tax proceeds were distributed in the district in fiscal year 1990.

(ii) If the allocation under subsection (12)(e)(i) exceeds the total budget for a fund, the trustees may allocate the excess to any budgeted fund of the school district.

(f) The county treasurer shall distribute oil and natural gas production taxes received under subsection (12)(a) between county and school taxing units in the relative proportions required by the levies for state, county, and school district purposes in the same manner as property taxes were distributed in the preceding fiscal year.

(g) The allocation to the county in subsection (12)(f) must be distributed by the county treasurer in the relative proportions required by the levies for county taxing units and in the same manner as property taxes were distributed in the preceding fiscal year.

(h) The money distributed in subsection (12)(f) that is required for the county mill levies for school district retirement obligations and transportation schedules must be deposited to the funds established for these purposes.

(i) The oil and natural gas production taxes distributed under subsection (12)(c) that are required for the 6-mill university levy imposed under 20-25-423 and for the county equalization levies imposed under 20-9-331 and 20-9-333, as those sections read on July 1, 1989, must be remitted by the county treasurer to the department.

(j) The oil and natural gas production taxes distributed under subsection (12)(f) that are required for the 6-mill university levy imposed under 20-25-423, for the county equalization levies imposed under 20-9-331 and 20-9-333, and for the state equalization aid levy imposed under 20-9-360 must be remitted by the county treasurer to the department.

(k) The amount of oil and natural gas production taxes remaining after the treasurer has remitted the amounts determined in subsections (12)(i) and (12)(j) is for the exclusive use and benefit of the county and school taxing units.

(13) The department shall remit the amounts to be distributed in subsection (12) to the county treasurer by the following dates:

(a) On or before August 1 of each year, the department shall remit to the county treasurer oil and natural gas production tax payments received for the calendar quarter ending March 31 of the current year.

(b) On or before November 1 of each year, the department shall remit to the county treasurer oil and natural gas production tax payments received for the calendar quarter ending June 30 of the current year.

(c) On or before February 1 of each year, the department shall remit to the county treasurer oil and natural gas production tax payments received for the calendar quarter ending September 30 of the previous year.

(d) On or before May 1 of each year, the department shall remit to the county treasurer oil and natural gas production tax payments received for the calendar quarter ending December 31 of the previous calendar year.

(14) The department shall provide to each county by May 31 of each year the amount of gross taxable value represented by all types of production taxed under 15-36-304 for the previous calendar year multiplied by 60%. The resulting value must be treated as taxable value for county classification purposes.

(15) (a) In the event that the board revises the privilege and license tax pursuant to 82-11-131, the department shall, by rule, change the formula under this section for distribution of taxes collected under 15-36-304. The revised formula must provide for the distribution of taxes in an amount equal to the rate adopted by the board for its expenses.

(b) Before the department adopts a rule pursuant to subsection (15)(a), it shall present the proposed rule to the appropriate administrative rule review committee.

(16) The distribution to taxing units under this section is statutorily appropriated as provided in 17-7-502. (Terminates June 30, 2011—sec. 10, Ch. 531, L. 2001.)

15-36-324. (Effective July 1, 2011) Distribution of taxes — rules. (1) For each calendar quarter, the department shall determine the amount of tax, late payment interest, and penalty collected under this part. For purposes of distribution of the taxes to county and

school taxing units, the department shall determine the amount of oil and natural gas production taxes paid on production in the taxing unit.

(2) Except as provided in subsections (3) through (5), oil production taxes must be distributed as follows:

(a) The amount equal to 39.3% of the oil production taxes, including late payment interest and penalty, collected under this part must be distributed as provided in subsection (9).

(b) The remaining 60.7% of the oil production taxes, plus accumulated interest earned on the amount allocated under this subsection (2)(b), must be deposited in the state special revenue fund in the state treasury and transferred to the county and school taxing units for distribution as provided in subsection (12).

(3) The amount equal to 100% of the oil production taxes, including late payment interest and penalty, collected from working interest owners on qualifying production occurring during the first 12 months of production must be distributed as provided in subsection (10).

(4) (a) The amount equal to 100% of the oil production taxes, including late payment interest and penalty, collected from working interest owners on production from horizontally completed wells occurring during the first 18 months of production must be distributed as provided in subsection (10).

(b) The amount equal to 100% of the oil production taxes, including late payment interest and penalty, collected from working interest owners on the incremental production from horizontally recompleted wells occurring during the first 18 months of production must be distributed as provided in subsection (9).

(5) (a) The amount equal to 13.8% of the oil production taxes, including late payment interest and penalty, collected from working interest owners on the first 10 barrels of stripper oil production wells must be distributed as provided in subsection (10).

(b) The remaining 86.2% of the oil production taxes, plus accumulated interest earned on the amount allocated under this subsection (5)(b), must be deposited in the state special revenue fund in the state treasury and transferred to the county and school taxing units for distribution as provided in subsection (12).

(c) The amount equal to 100% of the oil production taxes, including late payment interest and penalty, collected from working interest owners on stripper well exemption production from pre-1999 wells and post-1999 wells must be distributed as provided in subsection (10).

(6) Except as provided in subsections (7) and (8), natural gas production taxes must be allocated as follows:

(a) The amount equal to 14% of the natural gas production taxes, including late payment interest and penalty, collected under this part must be distributed as provided in subsection (11).

(b) The remaining 86% of the natural gas production taxes, plus accumulated interest earned on the amount allocated under this subsection (6)(b), must be deposited in the state special revenue fund in the state treasury and transferred to the county and school taxing units for distribution as provided in subsection (12).

(7) The amount equal to 100% of the natural gas production taxes, including late payment interest and penalty, collected from working interest owners under this part on production from wells occurring during the first 12 months of production must be distributed as provided in subsection (10).

(8) The amount equal to 100% of natural gas production taxes, including late payment interest and penalty, collected from working interest owners on production from horizontally completed wells occurring during the first 18 months of production must be distributed as provided in subsection (10).

(9) The department shall, in accordance with the provisions of 15-1-501, distribute the state portion of oil production taxes specified in subsections (2)(a) and (4)(b), including late payment interest and penalty collected, as follows:

(a) 86.21% to the state general fund;

(b) 5.17% to the state special revenue fund for the purpose of paying expenses of the board as provided in 82-11-135; and

(c) 8.62% to be distributed as follows:

(i) 50% to the resource indemnity trust fund of the nonexpendable trust fund type;
(ii) 25% to the reclamation and development grants special revenue account established in 90-2-1104; and

(iii) 25% to the orphan share account established in 75-10-743.

(10) The department shall distribute the state portion of oil and natural gas production taxes specified in subsections (3), (4)(a), (5)(a), (5)(c), (7), and (8), including late payment interest and penalty collected, as follows:

(a) 37.5% to the state special revenue fund for the purpose of paying expenses of the board as provided in 82-11-135; and

(b) 62.5% to be distributed as follows:

(i) 50% to the resource indemnity trust fund of the nonexpendable trust fund type;

(ii) 25% to the reclamation and development grants special revenue account established by 90-2-1104; and

(iii) 25% to the orphan share account established in 75-10-743.

(11) The department shall, in accordance with the provisions of 15-1-501, distribute the state portion of natural gas production taxes specified in subsection (6)(a), including late payment interest and penalty collected, as follows:

(a) 76.8% to the state general fund;

(b) 8.7% to the state special revenue fund for the purpose of paying expenses of the board as provided in 82-11-135; and

(c) 14.5% to be distributed as follows:

(i) 50% to the resource indemnity trust fund of the nonexpendable trust fund type;

(ii) 25% to the reclamation and development grants special revenue account established in 90-2-1104; and

(iii) 25% to the orphan share account established in 75-10-743.

(12) (a) By the dates referred to in subsection (13), the department shall, except as provided in subsection (12)(b), calculate and distribute oil and natural gas production taxes received under subsections (2)(b), (5)(b), and (6)(b) to each eligible county in proportion to the oil and natural gas production taxes received under subsections (2)(b), (5)(b), and (6)(b) that are attributable to production in that county.

(b) The department shall distribute 5% of the oil and natural gas production taxes received under subsections (2)(b), (5)(b), and (6)(b) from pre-1999 wells to eligible counties in proportion to the underfunding that would have occurred from the tax liability distribution of pre-1985 oil and natural gas production taxes for production in calendar year 1997.

(c) Except as provided in subsection (12)(d), the county treasurer shall distribute the money received under subsection (12)(b) to the taxing units that levied mills in fiscal year 1990 against calendar year 1988 production in the same manner that all other property tax proceeds were distributed during fiscal year 1990 in the taxing unit, except that a distribution may not be made to a municipal taxing unit.

(d) The board of county commissioners of a county may direct the county treasurer to reallocate the distribution of oil and natural gas production tax money that would have gone to a taxing unit, as provided in subsection (12)(c), to another taxing unit or taxing units, other than an elementary school or high school, within the county under the following conditions:

(i) The county treasurer shall first allocate the oil and natural gas production taxes to the taxing units within the county in the same proportion that all other property tax proceeds were distributed in the county in fiscal year 1990.

(ii) If the allocation in subsection (12)(d)(i) exceeds the total budget for a taxing unit, the commissioners may direct the county treasurer to allocate the excess to any taxing unit within the county.

(e) The board of trustees of an elementary or high school district may reallocate the oil and natural gas production taxes distributed to the district by the county treasurer under the following conditions:

(i) The district shall first allocate the oil and natural gas production taxes to the budgeted funds of the district in the same proportion that all other property tax proceeds were distributed in the district in fiscal year 1990.

(ii) If the allocation under subsection (12)(e)(i) exceeds the total budget for a fund, the trustees may allocate the excess to any budgeted fund of the school district.

(f) The county treasurer shall distribute oil and natural gas production taxes received under subsection (12)(a) between county and school taxing units in the relative proportions required by the levies for state, county, and school district purposes in the same manner as property taxes were distributed in the preceding fiscal year.

(g) The allocation to the county in subsection (12)(f) must be distributed by the county treasurer in the relative proportions required by the levies for county taxing units and in the same manner as property taxes were distributed in the preceding fiscal year.

(h) The money distributed in subsection (12)(f) that is required for the county mill levies for school district retirement obligations and transportation schedules must be deposited to the funds established for these purposes.

(i) The oil and natural gas production taxes distributed under subsection (12)(c) that are required for the 6-mill university levy imposed under 20-25-423 and for the county equalization levies imposed under 20-9-331 and 20-9-333, as those sections read on July 1, 1989, must be remitted by the county treasurer to the department.

(j) The oil and natural gas production taxes distributed under subsection (12)(f) that are required for the 6-mill university levy imposed under 20-25-423, for the county equalization levies imposed under 20-9-331 and 20-9-333, and for the state equalization aid levy imposed under 20-9-360 must be remitted by the county treasurer to the department.

(k) The amount of oil and natural gas production taxes remaining after the treasurer has remitted the amounts determined in subsections (12)(i) and (12)(j) is for the exclusive use and benefit of the county and school taxing units.

(13) The department shall remit the amounts to be distributed in subsection (12) to the county treasurer by the following dates:

(a) On or before August 1 of each year, the department shall remit to the county treasurer oil and natural gas production tax payments received for the calendar quarter ending March 31 of the current year.

(b) On or before November 1 of each year, the department shall remit to the county treasurer oil and natural gas production tax payments received for the calendar quarter ending June 30 of the current year.

(c) On or before February 1 of each year, the department shall remit to the county treasurer oil and natural gas production tax payments received for the calendar quarter ending September 30 of the previous year.

(d) On or before May 1 of each year, the department shall remit to the county treasurer oil and natural gas production tax payments received for the calendar quarter ending December 31 of the previous calendar year.

(14) The department shall provide to each county by May 31 of each year the amount of gross taxable value represented by all types of production taxed under 15-36-304 for the previous calendar year multiplied by 60%. The resulting value must be treated as taxable value for county classification purposes.

(15) (a) In the event that the board revises the privilege and license tax pursuant to 82-11-131, the department shall, by rule, change the formula under this section for distribution of taxes collected under 15-36-304. The revised formula must provide for the distribution of taxes in an amount equal to the rate adopted by the board for its expenses.

(b) Before the department adopts a rule pursuant to subsection (15)(a), it shall present the proposed rule to the appropriate administrative rule review committee.

(16) The distribution to taxing units under this section is statutorily appropriated as provided in 17-7-502."

Section 3. Section 15-37-117, MCA, is amended to read:

"15-37-117. Disposition of metalliferous mines license taxes. (1) Metalliferous mines license taxes collected under the provisions of this part must, in accordance with the provisions of 15-1-501, be allocated as follows:

- (a) to the credit of the general fund of the state, *for the fiscal year ending June 30, 2003, 65% and for the fiscal years beginning on or after July 1, 2003, 58%* of total collections each year;
- (b) to the state special revenue fund to the credit of a hard-rock mining impact trust account, 2.5% of total collections each year;
- (c) to the hard-rock mining reclamation debt service fund created in 82-4-312, 8.5% of total collections each year;
- (d) to the reclamation and development grants program state special revenue account, *for the fiscal years beginning on or after July 1, 2003, 7%* of total collections each year; and
- (e) on or before June 1, to the county or counties identified as experiencing fiscal and economic impacts, resulting in increased employment or local government costs, under an impact plan for a large-scale mineral development prepared and approved pursuant to 90-6-307, in direct proportion to the fiscal and economic impacts determined in the plan or, if an impact plan has not been prepared, to the county in which the mine is located, 24% of total collections each year, to be allocated by the county commissioners as follows:

(i) not less than 37.5% to the county hard-rock mine trust reserve account established in 7-6-2225; and

(ii) all money not allocated to the account pursuant to subsection (1)(e)(i) to be further allocated as follows:

(A) 33 1/3% is allocated to the county for planning or economic development activities;

(B) 33 1/3% is allocated to the elementary school districts within the county that have been affected by the development or operation of the metal mine; and

(C) 33 1/3% is allocated to the high school districts within the county that have been affected by the development or operation of the metal mine.
- (2) When an impact plan for a large-scale mineral development approved pursuant to 90-6-307 identifies a jurisdictional revenue disparity, the county shall distribute the proceeds allocated under subsection (1)(e) in a manner similar to that provided for property tax sharing under Title 90, chapter 6, part 4.
- (3) The department shall return to the county in which metals are produced the tax collections allocated under subsection (1)(e). The allocation to the county described by subsection (1)(e) is a statutory appropriation pursuant to 17-7-502.”

Section 4. Section 2, Chapter 557, Laws of 1999, is amended to read:

“Section 2. Capital projects appropriations. (1) Except as provided in subsection (4)(c), the following money is appropriated for the indicated capital projects from the indicated sources to the department of administration, which is authorized to transfer the appropriated money among the necessary fund types for these projects:

Agency/Project	LRBP		Other Funding Sources
DEPARTMENT OF ADMINISTRATION			
Health and Safety Projects, Statewide	\$730,000	\$ 250,000	Auxiliary
Hazardous Material Remediation, Statewide	300,000		
Roof Replacements or Repairs, Statewide	521,000		
Facility Assessments, Statewide	100,000	50,000	State Special Revenue
		100,000	Federal Special Revenue
		50,000	Auxiliary
Capital Renovation		1,000,000	Capitol Land Grant Revenue
Renovate Haynes Gallery Area, Historical Society		1,000,000	Donations
DEPARTMENT OF CORRECTIONS			
Expand Women’s Prison, MWP		6,475,000	Federal Special Revenue
Missoula Regional Correctional Facility			
Supplemental		526,497	Federal Special Revenue
Construct Reception Unit, MSP		5,500,000	Federal Special Revenue
		170,000	General Fund

DEPARTMENT OF FISH, WILDLIFE AND PARKS

Bluewater Hatchery Renovations	200,000	State Special Revenue
Construct Fort Peck Fish Hatchery	14,640,000	Federal Special Revenue

DEPARTMENT OF MILITARY AFFAIRS

Construct New Armory, Kalispell	3,900,000	Federal Special Revenue
Construct New Armory, Bozeman	4,600,000	Federal Special Revenue

MONTANA UNIVERSITY SYSTEM

Sprinkle Library, UM-Missoula	657,000 602,000		
Ventilate and Update Fine Arts Building, UM-Missoula	450,000		
Boiler Upgrade and Ventilation, UM-Tech	530,000	120,000	Auxiliary
Maintain HVAC Systems, MSU-Billings and COT-Billings	500,000		
Replace Steam Distribution Piping, UM-Dillon	800,000	400,000	Auxiliary
Upgrade Boiler Controls, UM-Missoula	125,000	100,000	Auxiliary
Roof Replacements or Repairs, University System	1,591,000		
Maintain Main Hall Exterior, UM-Dillon	225,000		
Renovate Cowan Hall, MSU-Northern	511,000		
Addition to Paxson Gallery, UM-Missoula		2,500,000	Higher Education Funds, Federal, Donations, Grants, Plant Funds
Applied Technology Center Feasibility Study, MSU-Northern	50,000		
Construct Nondenominational Chapel, UM-Tech	1,500,000		Donations
Forestry/Journalism Addition, UM-Missoula	10,000,000		Federal, Donations, Grants, Plant Funds
Native American Study Center, UM-Missoula	3,500,000		Higher Education Funds, Federal, Donations, Grants, Plant Funds
Life Sciences Building, UM-Missoula	23,000,000		Federal, State, Donations, Grants, Plant Funds
Rural Technology Education Center, UM-Dillon	350,000		Higher Education Funds, Federal, Donations, Grants, Plant Funds

DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Lincoln Unit Office/Quarters and Clearwater Egress	125,000
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DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES

Sprinkle MMHNCC, Lewistown	300,000 195,000	
Construct Special Care Unit, Montana Veterans' Home	1,179,374	State Special Revenue
Improve Eastern Montana Veterans' Home	290,250	State Special Revenue
Improve Montana Veterans' Home	187,530	State Special Revenue

DEPARTMENT OF TRANSPORTATION

Construct Equipment Storage Buildings and Roof Replacement at Helena Headquarters, Statewide	2,100,000	Highways State Special Revenue
Construct Core Drilling Building, Helena	1,000,000	Highways State Special Revenue

(2) In the event one or both of the national guard armories located in Bozeman and Whitefish, Montana, and approved in House Bill No. 14 for replacement are sold prior to construction of the new Bozeman and Kalispell armories, the proceeds of the sale that were deposited to the general fund are appropriated for replacement construction up to a maximum of \$4,000,000 and the bond authority in House Bill No. 14 is reduced by a like amount.

(3) The department of public health and human services is seeking federal funds for use in the construction of the special care unit, Montana veterans' home. If federal funds become available for this purpose, the department shall reimburse funds from the state special revenue account used to build the new unit. The total amount approved for the project from all sources is \$1,179,374.

(4) (a) The 56th legislature authorizes four department of corrections' capital construction projects in the 2001 biennium. Funding for the projects is contained in House Bill No. 14 and subsection (1) of this section. The total project cost and the authorized funding for each project are as follows:

(i) \$9,375,000 for the women's prison expansion in Billings, funded by \$2,900,000 of general obligation bond proceeds authorized in House Bill No. 14 and by \$6,475,000 of federal funds appropriated in subsection (1) of this section;

(ii) \$2,225,000 for completing the Pine Hills youth correctional facility in Miles City, funded from general obligation bond proceeds authorized in House Bill No. 14;

(iii) \$5,670,000 to construct a reception unit at Montana state prison in Deer Lodge, funded by \$170,000 of general fund money and by \$5,500,000 of federal funds appropriated in subsection (1) of this section; and

(iv) \$3,000,000 for security improvements and expanding the Wallace building at Montana state prison in Deer Lodge, funded from general obligation bond proceeds authorized in House Bill No. 14.

(b) The 56th legislature notes that approximately \$8,714,600 of federal department of justice funds are anticipated to become available for capital construction projects for the department of corrections in the 2001 biennium. It is the intent of the 56th legislature that the federal funds be used to the maximum extent possible. It is further the intent of the 56th legislature that the priority for using these federal funds is:

(i) up to \$6,475,000 for the women's prison expansion project, line-itemed in subsection (1);

(ii) up to \$526,497 for the Missoula regional correctional facility-supplemental; and

(iii) up to \$5,500,000 for the construction of the reception unit at Montana state prison, line-itemed in subsection (1).

(c) (i) It is the intent of the legislature that the department of corrections may not accept federal funds for capital construction unless all conditions necessary to receive the federal dollars have been irrevocably met in advance of the expenditure of the federal funds.

(ii) It is further the intent of the legislature that federal spending authority for a capital construction project may be used only for the project identified in the law authorizing the project and may not be used for any other project.

(5) The appropriation for the Fort Peck fish hatchery in subsection (1) is contingent upon passage and approval of House Bill No. 20.

(6) The 56th legislature authorizes the construction of the rural technology education center at western Montana college of the university of Montana at a total project cost of \$4,520,000. Subsection (1) of this section contains \$350,000 in other revenue authority for this project, and House Bill No. 14 contains \$4,170,000 in general obligation bond authority for this project. In the event that other additional funds become available for this project during its construction, the general obligation bond authority in House Bill No. 14 must be reduced by a like amount and other revenue authority is increased by a like amount in subsection (1) of this section for the same purpose."

Section 5. Section 2, Chapter 573, Laws of 2001, is amended to read:

"Section 2. Capital projects appropriations. (1) The following money is appropriated for the indicated capital projects from the indicated sources to the department of administration, which is authorized to transfer the appropriated money among the necessary fund types for these projects:

Agency/Project	LRBP	Other Funding Sources	
DEPARTMENT OF ADMINISTRATION			
Life Safety Projects, Statewide	\$400,000	\$	
Hazardous Material Mitigation Fund	350,000		
	250,000		
Roof Replacements or Repairs, Statewide	499,000		
	399,000		
Project Litigation Fund	475,000		
Capitol Complex Land Acquisition		400,000	Capitol Land Grant Revenue
DEPARTMENT OF CORRECTIONS			
Construction of Central Reception Unit		1,000,000	Federal Special Revenue
DEPARTMENT OF FISH, WILDLIFE, AND PARKS			
Administrative Facility Repair and Maintenance		764,000	State Special Revenue
DEPARTMENT OF JUSTICE			
Upgrade Foundations and Boiler, MLEA	200,000		
DEPARTMENT OF MILITARY AFFAIRS			
Construct New Dillon Armory		3,800,000	Federal Special Revenue
Construct New Kalispell Armory		3,700,000	Federal Special Revenue
MONTANA UNIVERSITIES AND COLLEGES			
Replace Primary Power Distribution System, UM-Dillon	162,750	59,375	Auxiliary
Roof Replacements or Repairs, University System	426,000		
Heating Plant Steam Distribution, Phase II, UM-Tech	438,750	236,250	Auxiliary
Chemistry Building Addition, UM-Missoula		3,200,000	Federal, Donations, Grants, Nonstate Funds, Plant Funds

All operating and maintenance expenses of the chemistry building addition are to be paid by the university of Montana-Missoula. Appropriation authority in excess of funds pledged for this project as of June 30, 2003, must be reverted.

Master Plan Campuses, University System	100,000		
	16,000	150,000	Higher Education Funds, Federal, Donations, Grants, Plant Funds

This project will focus on maximizing use of existing buildings on the campuses.

Animal and Range Science Facility, MSU-Bozeman		5,000,000	Higher Education Funds, Federal, Donations, Grants, Nonstate Funds, Plant Funds
Gaines Hall Renovation/Addition Project Design, MSU-Bozeman		2,000,000	Federal, Donations, Grants, Nonstate Funds, Plant Funds
Agricultural Experiment Station, MSU-Bozeman		1,000,000	Federal, Donations, Grants, Nonstate Funds, Plant Funds
Develop Classroom/Lab Design, MSU-COT, Billings	50,000		
Multi Media Center, Yellow Bay, UM-Missoula		1,350,000	Federal, Donations, Grants, Nonstate Funds, Plant Funds

All construction, operation, and maintenance expenses of the Yellow Bay multi media center are to be paid by the center.

Law Building Renovation/Expansion, UM-Missoula	5,000,000	Federal, Donations, Grants, Nonstate Funds, Plant Funds
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All operating and maintenance expenses of the law building addition are to be paid by the university of Montana-Missoula.

School of Journalism Building, UM-Missoula	12,000,000	Federal, Donations, Grants, Nonstate Funds, Plant Funds
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Appropriation authority in excess of funds pledged for this project as of June 30, 2005, must be reverted. All operating and maintenance expenses of the school of journalism building are to be paid by the university of Montana-Missoula.

Construct Applied Technology Center, MSU-Northern	3,000,000	Federal, Donations, Grants, Nonstate Funds, Plant Funds
Install PBS Digital Conversion, MSU-Bozeman	3,059,455	Federal, Donations, Grants, Nonstate Funds, Plant Funds

The university system and the information services division of the department of administration will work together to develop network plans or procedures that provide for the highest degree of bandwidth and cost-sharing capability between the university system and the department that is within technical specifications agreed to by the parties and is mutually beneficial to them. This obligation to cooperate and coordinate for the purpose of seeking mutually beneficial network arrangements applies to the intercity transport services acquired by the university system or the department of administration to meet the needs of the public broadcast system, including the utilization and sharing of excess capacity bandwidth to help meet the telecommunication needs of all state agencies in a manner that is both cost-effective and compatible with the efficient operation of the public broadcast system.

Develop Design to Expand COT, UM-COT, Helena	125,000
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DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Expand Unit Office, Libby	94,000
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DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES

Licensure Compliance, MMHNCC	524,000	
Montana Veterans' Home Improvements, Columbia Falls	165,875	State Special Revenue
Eastern Montana Veterans' Home Improvements, Glendive	177,800	State Special Revenue

The legislature consents to the construction of the good shepherd chapel at the Montana developmental center in Boulder with donated funds. The construction of the chapel is exempt from provisions of Title 18.

STATE BOARD OF EDUCATION

Facility Improvements, Montana School for the Deaf and Blind	315,160
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DEPARTMENT OF TRANSPORTATION

Construct Equipment Storage Buildings, Statewide	2,700,000	Highways State Special Revenue
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(2) The Montana state university agricultural experiment station shall use these funds to construct and repair various experiment station buildings at the following locations: \$1,250,000 for Huntley, \$180,000 for Moccasin, \$200,000 for Havre, \$210,000 for Sidney, and \$160,000 for Kalispell. The amount of \$1 million for these projects will be funded from non-LRBP sources, and the amount of \$1 million will be funded from CPF in House Bill No. 14.

(3) For purposes of obtaining cash for the construction litigation appropriation authority in subsection (1), the architecture and engineering division of the department of administration

may transfer any excess LRBP money from an agency as long as the transfer does not move funds required to complete any authorized agency project.

(4) The following projects are appropriated from the LRBP funding to the department of administration, in addition to the projects listed in subsection (1), by the decrease in bond debt service paid from the LRBP in House Bill No. 14:

Agency/Project	LRBP	Other Funding Sources
DEPARTMENT OF ADMINISTRATION		
Life Safety Projects, Statewide	\$300,000	
Hazardous Material Mitigation, Statewide	90,000	
Roof Replacements or Repairs, Statewide	150,000	
MONTANA UNIVERSITIES AND COLLEGES		
Code Compliance/Deferred		
Maintenance, All Campuses	550,000	
Develop Design to Expand COT,		
UM-COT, Helena	240,000	
	40,000"	

Section 6. Effective date. [This act] is effective on passage and approval.

Section 7. Retroactive applicability. [This act] applies retroactively, within the meaning of 1-2-109, to July 1, 2002.

Section 8. Termination. (1) [Section 1] terminates June 30, 2005.
(2) [Section 2] terminates June 30, 2011.

Approved August 16, 2002

CHAPTER NO. 13
[HB 18]

AN ACT REDUCING THE GENERAL FUND SHORTFALL IN REVENUE BY GENERALLY REVISING AND CLARIFYING THE LAWS RELATING TO REVENUE COLLECTION AND ALLOCATION FOR STATE GOVERNMENT AND LOCAL GOVERNMENTS; PROVIDING THAT THE TITLING FEE FOR MANUFACTURED HOMES BE DEPOSITED IN THE STATE GENERAL FUND; CLARIFYING THE ENTITLEMENT SHARE OF LOCAL GOVERNMENTS; PROVIDING A PENALTY AND INTEREST FEE FOR LATE PAYMENT OF LIVESTOCK PER CAPITA FEES; ALLOWING A NEGOTIATED FEE FOR COLLECTION OF LIVESTOCK PER CAPITA FEES; ELIMINATING THE ALLOCATION OF COAL SEVERANCE TAXES FOR COUNTY LAND PLANNING; PROVIDING FOR DEPOSIT OF GAMING LAW VIOLATION PENALTIES IN THE STATE GENERAL FUND; ELIMINATING THE STATUTORY APPROPRIATION OF GAMING VIOLATION PENALTIES; CLARIFYING THE COLLECTION AND ALLOCATION OF FEES BY THE CLERK OF THE DISTRICT COURT; PROVIDING THAT THE MARRIAGE LICENSE RECORDING FEE BE DEPOSITED IN THE STATE GENERAL FUND; ELIMINATING THE COUNTY ADMINISTRATIVE FEE FOR PUBLIC ASSISTANCE PROGRAMS; PROVIDING FOR THE DEPOSIT OF THE PENALTY FEE FOR FAILURE TO APPLY FOR A TRANSFER OF INTEREST IN A MOTOR VEHICLE IN THE STATE GENERAL FUND; PROVIDING THAT TRAILERS AND SEMITRAILERS REGISTERED THROUGH A PROPORTIONAL REGISTRATION AGREEMENT ARE NOT SUBJECT TO THE NORMAL REGISTRATION FEE; PROVIDING FOR THE DEPOSIT OF LATE MOTOR VEHICLE TRANSFER PENALTIES IN THE STATE GENERAL FUND; CLARIFYING THE USE AND DISTRIBUTION OF THE LOCAL OPTION VEHICLE TAX OR FEE; PROVIDING THAT

SINGLE MOVEMENT PERMIT FEES FOR VEHICLES BE DEPOSITED IN THE GENERAL FUND; CLARIFYING THE DISPOSITION OF FINES AND FORFEITURES FOR HIGHWAY OFFENSES; PROVIDING THAT UNIFORM PROVISIONS ON PENALTY AND INTEREST APPLY TO LATE HAIL FEE PAYMENTS; ELIMINATING THE TERMINATION DATE FOR THE SPLIT OF THE LOCAL OPTION VEHICLE TAX BETWEEN THE CITIES AND COUNTIES; PROVIDING AN APPROPRIATION FOR REIMBURSING THE CITY OF BOZEMAN FOR ACCRUED GAMING REVENUE; CORRECTING THE COUNTYWIDE SCHOOL RETIREMENT AND TRANSPORTATION BLOCK GRANTS; AMENDING SECTIONS 15-1-111, 15-1-112, 15-1-116, 15-1-121, 15-24-921, 15-24-925, 15-35-108, 15-65-121, 17-7-502, 23-5-123, 23-5-136, 25-1-201, 46-23-1031, 50-15-301, 53-2-207, 61-3-201, 61-3-317, 61-3-321, 61-3-537, 61-3-562, 61-4-310, 61-10-148, 61-12-701, AND 80-2-230, MCA, AND SECTIONS 244, 245, 246, 248, 249, 250, AND 257, CHAPTER 574, LAWS OF 2001; REPEALING SECTIONS 61-4-311 AND 90-1-108, MCA, AND SECTION 4, CHAPTER 749, LAWS OF 1991, SECTION 1, CHAPTER 217, LAWS OF 1993, AND SECTIONS 2 AND 3, CHAPTER 217, LAWS OF 1995; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND RETROACTIVE APPLICABILITY DATES.

Be it enacted by the Legislature of the State of Montana:

Section 1. Section 15-1-111, MCA, is amended to read:

“15-1-111. (Temporary) Reimbursement to local governments and schools — duties of department and county treasurer — statutory appropriation. (1) Prior to September 1, 1990, the department’s agent in the county shall supply the following information to the department for each taxing jurisdiction within the county:

- (a) the number of mills levied in the jurisdiction for tax year 1989;
- (b) the number of mills levied in the jurisdiction for tax year 1990;
- (c) the total taxable valuation for tax years 1989 and 1990, reported separately for each year, of all personal property not secured by real property; and
- (d) the total taxable valuation for tax years 1989 and 1990, reported separately for each year, of all personal property secured by real property.

(2) After receipt of the information from its agent, the department shall calculate the amount of revenue lost to each taxing jurisdiction, using current year mill levies, due to the annual reduction in personal property tax rates set forth in 15-6-138, prior to 1994, and any reduction in taxes based upon recalculation of the effective tax rate for property in 15-6-145, prior to 1994. The department shall total the amounts for all taxing jurisdictions within the county.

(3) (a) The department shall remit to the county treasurer 50% of the amount of revenue reimbursable, determined pursuant to subsection (1), on or before November 30 and the remaining 50% on or before May 31.

(b) For tax year 1993 through tax year 1998, the department shall remit to the county treasurer of each county the same amount remitted to the county treasurer for the fiscal year 1991, as adjusted by the result of dissolved or combined taxing jurisdictions, as provided for in subsection (7). Fifty percent of the amount must be remitted on or before November 30 and the remaining 50% on or before May 31.

(c) (i) For tax year 1999 through tax year 2008, the department shall remit to the county treasurer of each county the same amount remitted to the county treasurer for the fiscal year 1991, progressively reduced by 10% of the 1991 amount each year, in accordance with the following schedule:

Tax Year	Percentage of 1991 Remittance Amount
1999	90
2000	80
2001	70

2002	60
2003	50
2004	40
2005	30
2006	20
2007	10
2008 and following years	0

(ii) The amount remitted must be adjusted by the result of dissolved or combined taxing jurisdictions, as provided for in subsection (7). Fifty percent of the amount must be remitted on or before November 30 and the remaining 50% on or before May 31.

(4) Upon receipt of the reimbursement from the department, the county treasurer shall distribute the reimbursement to each taxing jurisdiction as calculated by the department.

(5) (a) For the purposes of this section and subject to subsection (7), "taxing jurisdiction" means a jurisdiction levying mills against personal property and includes but is not limited to a county, city, school district, tax increment financing district, and miscellaneous taxing district ~~and the state of Montana.~~

(b) *The term does not include county or state school equalization levies provided for in 15-10-107, 20-9-331, 20-9-333, 20-9-360, 20-25-423, and 20-25-439.*

(6) The amounts necessary for the administration of this section are statutorily appropriated, as provided in 17-7-502, from the general fund to reimburse eligible taxing jurisdictions for reductions in tax rates on personal property.

(7) The following apply to taxing jurisdictions that were altered after tax year 1989:

(a) A taxing jurisdiction that existed in tax year 1989 and that no longer exists is not entitled to reimbursement under this section.

(b) A taxing jurisdiction that existed in tax year 1989 and that is split into two or more taxing jurisdictions or that is annexed to or is consolidated with another taxing jurisdiction is entitled to reimbursement based on the portion of 1989 taxable value within each new taxing jurisdiction. The department shall determine the portion of 1989 taxable value located in each taxing jurisdiction.

(c) A taxing jurisdiction that did not exist in tax year 1989 is not entitled to reimbursement under this section unless the jurisdiction was created as described in subsection (7)(b). (Repealed effective July 1, 2008—secs. 66(2), 68(2), Ch. 422, L. 1997.)"

Section 2. Section 15-1-112, MCA, is amended to read:

"15-1-112. Business equipment tax rate reduction reimbursement to local government taxing jurisdictions. (1) On or before January 1, 1996, for the reduction in payment under subsection (4) and by June 1 of 1996, 1997, and 1998 for all other reimbursements in this section, the department of revenue shall determine a reimbursement amount associated with reducing the tax rate in 15-6-138 and provide that information to each county treasurer. The reimbursement amount must be determined for each local government taxing jurisdiction that levied mills on the taxable value of property described in 15-6-138 in the corresponding tax year. However, the reimbursement does not apply to property described in 15-6-138 that has a reduced tax rate under 15-24-1402.

(2) (a) The reimbursement amount to be used as the basis for the payment reduction under subsection (4) is the product of multiplying the tax year 1995 taxable value of property described in 15-6-138 for each local government taxing jurisdiction by the tax year 1995 mill levy for the jurisdiction and then multiplying by 1/9th.

(b) (i) The reimbursement amount for each local government taxing jurisdiction for tax year 1996 is the amount determined under subsection (2)(a) unless the tax year 1996 market value of property described in 15-6-138, for the particular local government taxing jurisdiction, is more than the tax year 1995 market value for property described in 15-6-138 in the same jurisdiction.

(ii) If the tax year 1996 market value is greater than the tax year 1995 market value for a particular jurisdiction, then the reimbursement amount for tax year 1996 is the result of

subtracting the simulated 1996 tax from the 1995 tax. The 1995 tax is the tax for the particular jurisdiction, determined by multiplying the actual taxable valuation of property described in 15-6-138, for tax year 1995, by the tax year 1995 mill levy for the jurisdiction. The simulated 1996 tax for the particular jurisdiction is the actual tax year 1996 taxable value of property described in 15-6-138 multiplied by the tax year 1995 mill levy for the particular jurisdiction. If the simulated 1996 tax is greater than the 1995 tax, the reimbursement amount is zero.

(c) (i) The reimbursement amount for each local government taxing jurisdiction for tax year 1997 is the amount determined under subsection (2)(a) multiplied by two unless the tax year 1997 market value of property described in 15-6-138, for the particular local government taxing jurisdiction, is more than the tax year 1995 market value for property described in 15-6-138 in the same jurisdiction.

(ii) If the tax year 1997 market value is greater than the tax year 1995 market value for a particular jurisdiction, then the reimbursement amount for tax year 1997 is the result of subtracting the simulated 1997 tax from the 1995 tax. The 1995 tax is the tax for the particular jurisdiction, determined by multiplying the actual taxable valuation of property described in 15-6-138, for tax year 1995, by the tax year 1995 mill levy for the jurisdiction. The simulated 1997 tax for the particular jurisdiction is the actual tax year 1997 taxable value of property described in 15-6-138 multiplied by the tax year 1995 mill levy for the particular jurisdiction. If the simulated 1997 tax is greater than the 1995 tax, the reimbursement amount is zero.

(d) (i) The reimbursement amount for each local government taxing jurisdiction for tax year 1998 is the amount determined under subsection (2)(a) multiplied by three unless the tax year 1998 market value of property described in 15-6-138, for the particular local government taxing jurisdiction, is more than the tax year 1995 market value for property described in 15-6-138 in the same jurisdiction.

(ii) If the tax year 1998 market value is greater than the tax year 1995 market value for a particular jurisdiction, then the reimbursement amount for tax year 1998 is the result of subtracting the simulated 1998 tax from the 1995 tax. The 1995 tax is the tax for the particular jurisdiction, determined by multiplying the actual taxable valuation of property described in 15-6-138, for tax year 1995, by the tax year 1995 mill levy for the jurisdiction. The simulated 1998 tax for the particular jurisdiction is the actual tax year 1998 taxable value of property described in 15-6-138 multiplied by the tax year 1995 mill levy for the particular jurisdiction. If the simulated 1998 tax is greater than the 1995 tax, the reimbursement amount is zero.

(3) (a) For purposes of this section, "local government taxing jurisdiction" means a local government rather than a state taxing jurisdiction that levied mills against property described in 15-6-138, including county governments, incorporated city and town governments, consolidated county and city governments, tax increment financing districts, local elementary and high school districts, local community college districts, miscellaneous districts, and special districts. The term includes countywide mills levied for equalization of school retirement or transportation.

(b) The term does not include county or state school equalization levies provided for in 20-9-331, 20-9-333, ~~and~~ 20-9-360, ~~and~~ 20-25-439.

(c) Each tax increment financing district must receive the benefit of the state mill on the incremental taxable value of the district.

(4) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in June of 1996 by an amount equal to 38% of the reimbursement amount determined under subsection (2)(a) for all of the local government taxing jurisdictions in the county.

(5) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in December of 1996 by an amount equal to 31% of the reimbursement amount for tax year 1996 for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).

(6) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in June of 1997 by an amount equal to 31% of the reimbursement amount for tax year 1996 for all of the local government taxing jurisdictions in the county and by an amount

equal to 38% of the reimbursement amount for tax year 1997 for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).

(7) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in December of 1997 by an amount equal to 31% of the reimbursement amount for tax year 1997 for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).

(8) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in June of 1998 by an amount equal to 31% of the reimbursement amount for tax year 1997 for all of the local government taxing jurisdictions in the county and by an amount equal to 38% of the reimbursement amount for tax year 1998 for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).

(9) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in December of 1998 by an amount equal to 31% of the reimbursement amount for tax year 1998 for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).

(10) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in June of 1999 by an amount equal to 69% of the reimbursement amount for tax year 1998 for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).

(11) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in December of the years 1999 through 2007 by an amount equal to 31% of the reimbursement amount determined in subsection (13) for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).

(12) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in June of the years 2000 through 2008 by an amount equal to 69% of the reimbursement amount determined in subsection (13) for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).

(13) (a) The reimbursement amount for tax year 1999 and each subsequent tax year for 9 years must be progressively reduced each year by 10% of the reimbursement amount for tax year 1998, according to the following schedule:

Tax Year	Percentage of 1998 Reimbursement Amount
1999	90
2000	80
2001	70
2002	60
2003	50
2004	40
2005	30
2006	20
2007	10
2008 and following years	0

(b) The reimbursement amount for each tax year must be the basis for reducing the amount remitted to the state for the levy imposed under 20-9-360 in December of the same year and June of the following year.

(14) The county treasurer shall use the funds from the reduced payment to the state for the levy imposed under 20-9-360 to reimburse each local government taxing jurisdiction in the amount determined by the department under subsection (2). The reimbursement must be distributed to funds within local government taxing jurisdictions in the same manner as taxes on property described in 15-6-138 are distributed. The reimbursement in June must be distributed based on the prior year's mill levy, and the reimbursement in December must be based on the current year's mill levy.

(15) Each local government taxing jurisdiction receiving reimbursements shall consider the amount of reimbursement that will be received and lower the mill levy otherwise necessary to fund the budget by the amount that would otherwise have to be raised by the mill levy.

(16) A local government taxing jurisdiction that ceases to exist after October 1, 1995, will no longer be considered for revenue loss or reimbursement purposes. A local government taxing jurisdiction that is created after January 1, 1996, will not be considered for revenue loss or reimbursement purposes. If a local government taxing jurisdiction that existed prior to January of 1996 is split between two or more taxing jurisdictions or is annexed to or is consolidated with another taxing jurisdiction, the department shall determine how much of the revenue loss and reimbursement is attributed to the new jurisdictions."

Section 3. Section 15-1-116, MCA, is amended to read:

"15-1-116. Manufactured home considered as improvement to real property — requirements. (1) A manufactured home will be considered for tax purposes an improvement to real property if:

(a) the running gear is removed; and

(b) the manufactured home is attached to a permanent foundation on land that is owned or being purchased by the owner of the manufactured home or, if the land is owned by another person, with the permission of the landowner.

(2) To eliminate the certificate of ownership of a manufactured home, an owner may file a statement of intent on a form furnished by the department of justice.

(3) The statement of intent must include:

(a) the serial number of the manufactured home;

(b) the legal description of the real property to which the manufactured home has been permanently attached;

(c) a description of any security interests in the manufactured home; and

(d) approval from all lienholders of the intent to eliminate the title.

(4) The owner shall present the statement of intent to the county treasurer of the county in which the manufactured home is located and shall surrender the certificate of ownership. Upon receipt of a titling fee of \$5, the county treasurer shall issue the owner a duplicate receipt for the surrendered certificate and forward a copy of the statement of intent, the original receipt, and the surrendered certificate to the department of justice. The county treasurer may not issue the receipt unless all taxes, interest, and penalties on the manufactured home have been paid in full. The county treasurer shall:

~~(a) deposit \$1.50 of the titling fee in the county general fund; and~~

~~(b) remit \$3.50 of the titling fee to the department for deposit in the state general fund.~~

(5) Upon the recording of the statement of intent and the receipt of surrender, the manufactured home may not be physically removed without the consent of all persons who have an interest in the manufactured home.

(6) A manufactured home that has been declared an improvement to real property in accordance with this section must be treated by the department and by lending institutions in the same manner as any other residence that is classified as an improvement."

Section 4. Section 15-1-121, MCA, is amended to read:

"15-1-121. Entitlement share payment — appropriation. (1) The amount calculated pursuant to this subsection is each local government's base entitlement share. The department shall estimate the total amount of revenue that each local government received from the following sources for the fiscal year ending June 30, 2001:

(a) personal property tax reimbursements pursuant to sections 167(1) through (5) and 169(6), Chapter 584, Laws of 1999;

(b) vehicle and boat taxes and fees pursuant to:

(i) Title 23, chapter 2, part 5;

(ii) Title 23, chapter 2, part 6;

(iii) Title 23, chapter 2, part 8;

(iv) 61-3-317;

- ~~(iv)~~(v) 61-3-321;
 - ~~(v)~~(vi) Title 61, chapter 3, part 5, except for 61-3-509(3), as that subsection read prior to the amendment of 61-3-509 in 2001, ~~and 61-3-537; and~~
 - ~~(vi)~~(vii) Title 61, chapter 3, part 7;
 - (viii) 5% of the fees collected under 61-10-122;*
 - (ix) 61-10-130;*
 - (x) 61-10-148; and*
 - (xi) 67-3-205;*
 - (c) gaming revenue pursuant to Title 23, chapter 5, part 6, except for the permit fee in 23-5-612(2)(a);
 - (d) district court fees pursuant to:
 - (i) 25-1-201, except those fees in 25-1-201(1)(d), (1)(g), and (1)(j);
 - (ii) 25-1-202;
 - (iii) 25-1-1103;
 - (iv) 25-9-506;
 - (v) 25-9-804; and
 - (vi) 27-9-103;
 - (e) certificate of ownership fees for manufactured homes pursuant to 15-1-116;
 - (f) financial institution taxes pursuant to Title 15, chapter 31, part 7;
 - (g) coal severance taxes allocated for county land planning pursuant to 15-35-108;
 - (h) all beer, liquor, and wine taxes pursuant to:
 - (i) 16-1-404;
 - (ii) 16-1-406; and
 - (iii) 16-1-411;
 - (i) late filing fees pursuant to 61-3-201;
 - (j) title and registration fees pursuant to 61-3-203;
 - (k) disabled veterans' flat license plate fees and purple heart license plate fees pursuant to 61-3-332;
 - (l) county personalized license plate fees pursuant to 61-3-406;
 - (m) special mobile equipment fees pursuant to 61-3-431;
 - (n) single movement permit fees pursuant to 61-4-310;
 - (o) state aeronautics fees pursuant to 67-3-101; and
 - (p) department of natural resources and conservation payments in lieu of taxes pursuant to Title 77, chapter 1, part 5.
- (2) (a) From the amounts estimated in subsection (1) for each county government, the department shall deduct fiscal year 2001 county government expenditures for district courts, less reimbursements for district court expenses, and fiscal year 2001 county government expenditures for public welfare programs to be assumed by the state in fiscal year 2002.
- (b) The amount estimated pursuant to subsections (1) and (2)(a) is each local government's base year component. The sum of all local governments' base year components is the base year entitlement share pool. *For the purpose of calculating the sum of all local governments' base year components, the base year component for a local government may not be less than zero.*
- (3) (a) Beginning with fiscal year 2002 and in each succeeding fiscal year, the base year entitlement share pool must be increased annually by a growth rate as provided for in this subsection (3). The amount determined through the application of annual growth rates is the entitlement share pool for each fiscal year. For fiscal years year 2002 ~~and 2003~~, the growth rate is 3%. *For fiscal year 2003, the growth rate is 3% for incorporated cities and towns, 1.61% for counties, and 2.3% for consolidated local governments.* Beginning with calendar year 2004, by October 1 of each even-numbered year, the department shall calculate the growth rate of the entitlement share pool for each year of the next biennium in the following manner:
- (i) *Before applying the growth rate for fiscal year 2004 to determine the fiscal year 2004 entitlement share pool, the department shall add to the fiscal year 2003 entitlement share pool the fiscal year 2003 amount of revenue actually distributed to the county from the 25-cent marriage license fee in 50-15-301 and the probation and parole fee in 46-23-1031(2)(b).*

(i)(ii) The department shall calculate the average annual growth rate of the Montana gross state product, as published by the bureau of economic analysis of the United States department of commerce, for the following periods:

(A) the last 4 calendar years for which the information has been published; and

(B) the 4 calendar years beginning with the year before the first year in the period referred to in subsection ~~(3)(a)(i)(A)~~ (3)(a)(ii)(A).

(ii)(iii) The department shall calculate the average annual growth rate of Montana personal income, as published by the bureau of economic analysis of the United States department of commerce, for the following periods:

(A) the last 4 calendar years for which the information has been published; and

(B) the 4 calendar years beginning with the year before the first year in the period referred to in subsection ~~(3)(a)(ii)(A)~~ (3)(a)(iii)(A).

(b) (i) For fiscal year 2004 and subsequent fiscal years, the entitlement share pool growth rate for the first year of the biennium must be the following percentage of the average of the growth rates calculated in subsections ~~(3)(a)(i)(B)~~ (3)(a)(ii)(B) and ~~(3)(a)(ii)(B)~~ (3)(a)(iii)(B):

(A) for counties, 54%;

(B) for consolidated local governments, 62%; and

(C) for incorporated cities and towns, 70%.

(ii) The entitlement share pool growth rate for the second year of the biennium must be the following percentage of the average of the growth rates calculated in subsections ~~(3)(a)(i)(A)~~ (3)(a)(ii)(A) and ~~(3)(a)(ii)(A)~~ (3)(a)(iii)(A):

(A) for counties, 54%;

(B) for consolidated local governments, 62%; and

(C) for incorporated cities and towns, 70%.

(4) As used in this section, "local government" means a county, a consolidated local government, an incorporated city, and an incorporated town. A local government does not include a tax increment financing district provided for in subsection (6). For purposes of calculating the base year component for a county or consolidated local government, the department shall include the revenue listed in subsection (1) for all special districts within the county or consolidated local government. The county or consolidated local government is responsible for making an allocation from the county's or consolidated local government's share of the entitlement share pool to each special district within the county or consolidated local government in a manner that reasonably reflects each special district's loss of revenue sources listed in subsection (1).

(5) (a) The entitlement share pools calculated in this section and the block grants provided for in subsection (6) are statutorily appropriated, as provided in 17-7-502, from the general fund to the department for distribution to local governments. Each local government is entitled to a pro rata share of each year's entitlement share pool based on the local government's base component in relation to the base year entitlement share pool. The distributions must be made on a quarterly basis beginning September 15, 2001.

(b) (i) For fiscal year 2002, the growth amount is the difference between the fiscal year 2002 entitlement share pool and the base year entitlement share pool. *For fiscal year 2002, a county may have a negative base year component.* For fiscal year 2003 and each succeeding fiscal year, the growth amount is the difference between the entitlement share pool in the current fiscal year and the entitlement share pool in the previous fiscal year. *For the purposes of subsection (5)(b)(ii)(A), a county with a negative base year component has a base year component of zero.* The growth factor in the entitlement share must be calculated separately for:

(A) counties;

(B) consolidated local governments; and

(C) incorporated cities and towns.

(ii) In each fiscal year, the growth amount for counties must be allocated as follows:

(A) 50% of the growth amount must be allocated based upon each county's percentage of the base year entitlement share pool for all counties; and

(B) 50% of the growth amount must be allocated based upon the percentage that each county's population bears to the state population not residing within consolidated local

governments as determined by the latest interim year population estimates from the Montana department of commerce as supplied by the United States bureau of the census.

(iii) In each fiscal year, the growth amount for consolidated local governments must be allocated as follows:

(A) 50% of the growth amount must be allocated based upon each consolidated local government's percentage of the base year entitlement share pool for all consolidated local governments; and

(B) 50% of the growth amount must be allocated based upon the percentage that each consolidated local government's population bears to the state's total population residing within consolidated local governments as determined by the latest interim year population estimates from the Montana department of commerce as supplied by the United States bureau of the census.

(iv) In each fiscal year, the growth amount for incorporated cities and towns must be allocated as follows:

(A) 50% of the growth amount must be allocated based upon each incorporated city's or town's percentage of the base year entitlement share pool for all incorporated cities and towns; and

(B) 50% of the growth amount must be allocated based upon the percentage that each city's or town's population bears to the state's total population residing within incorporated cities and towns as determined by the latest interim year population estimates from the Montana department of commerce as supplied by the United States bureau of the census.

(v) In each fiscal year, the amount of the entitlement share pool not represented by the growth amount is distributed to each local government in the same manner as the entitlement share pool was distributed in the prior fiscal year.

(vi) For fiscal year 2002, an amount equal to the district court costs identified in subsection (2) must be added to each county government's distribution from the entitlement share pool.

(vii) *For fiscal year 2002, an amount equal to the district court fees identified in subsection (1)(d) must be subtracted from each county government's distribution from the entitlement share pool.*

(6) (a) If a tax increment financing district was not in existence during the fiscal year ending June 30, 2000, then the tax increment financing district is not entitled to any block grant. If a tax increment financing district referred to in subsection (6)(b) terminates, then the block grant provided for in subsection (6)(b) terminates.

(b) One-half of the payments provided for in this subsection (6)(b) must be made by November 30 and the other half by May 31 of each year. Subject to subsection (6)(a), the entitlement share for tax increment financing districts is as follows:

Cascade	Great Falls - downtown	\$468,966
Deer Lodge	TIF District 1	3,148
Deer Lodge	TIF District 2	3,126
Flathead	Kalispell - District 1	758,359
Flathead	Kalispell - District 2	5,153
Flathead	Kalispell - District 3	41,368
Flathead	Whitefish District	164,660
Gallatin	Bozeman - downtown	34,620
Lewis and Clark	Helena - # 2	731,614
Missoula	Missoula - 1-1B & 1-1C	1,100,507
Missoula	Missoula - 4-1C	33,343
Silver Bow	Butte - uptown	283,801
Yellowstone	Billings	436,815

(c) The entitlement share for industrial tax increment financing districts is as follows:

(i) for fiscal years 2002 and 2003:

Missoula County	Airport Industrial	\$4,812
Silver Bow	Ramsay Industrial	597,594;

(ii) for fiscal years 2004 and 2005:

Missoula	County Airport Industrial	\$2,406
Silver Bow	Ramsay Industrial	298,797; and

(iii) \$0 for all succeeding fiscal years.

(d) The entitlement share for industrial tax increment financing districts referred to in subsection (6)(c) may not be used to pay debt service on tax increment bonds to the extent that the bonds are secured by a guaranty, a letter of credit, or a similar arrangement provided by or on behalf of an owner of property within the tax increment financing industrial district.

(e) One-half of the payments provided for in subsection (6)(c) must be made by July 30, and the other half must be made in December of each year.

(7) The estimated base year entitlement share pool and any subsequent entitlement share pool for local governments do not include revenue received from countywide transportation block grants or from countywide retirement block grants.

(8) The estimates for the base year entitlement share pool in subsection (1) must be calculated as if the fees in Chapter 515, Laws of 1999, were in effect for all of fiscal year 2001.

(9) (a) If revenue that is included in the sources listed in subsections (1)(b) through (1)(p) is significantly reduced, except through legislative action, the department shall deduct the amount of revenue loss from the entitlement share pool beginning in the succeeding fiscal year and the department shall work with local governments to propose legislation to adjust the entitlement share pool to reflect an allocation of the loss of revenue.

(b) For the purposes of subsection (9)(a), a significant reduction is a loss that causes the amount of revenue received in the current year to be less than 95% of the amount of revenue received in the base year.

(10) A three-fifths vote of each house is required to reduce the amount of the entitlement share calculated pursuant to subsections (1) through (3).

(11) When there has been an underpayment of a local government's share of the entitlement share pool, the department shall distribute the difference between the underpayment and the correct amount of the entitlement share. When there has been an overpayment of a local government's entitlement share, the local government shall remit the overpaid amount to the department.

(12) A local government may appeal the department's estimation of the base year component, the entitlement share pool growth rate, or a local government's allocation of the entitlement share pool, according to the uniform dispute review procedure in 15-1-211."

Section 5. Section 15-24-921, MCA, is amended to read:

"15-24-921. Per capita fee to pay expenses of enforcing livestock laws. (1) In addition to appropriations made for those purposes, a per capita fee is authorized and directed to be imposed by the department on all poultry and bees, all swine 3 months of age or older, and all other livestock 9 months of age or older in each county of this state for the purpose of aiding in the payment of the salaries and all expenses connected with the enforcement of the livestock laws of the state and for the payment of bounties on wild animals as provided in 81-7-104.

(2) *The per capita fee is due on November 30 of each year. The penalty and interest provisions contained in 15-1-216 apply to late payments of the fee.*

~~(2)~~(3) As used in this section, "livestock" means cattle, sheep, swine, poultry, bees, goats, horses, mules, asses, llamas, alpacas, domestic bison, ostriches, rheas, and emus, and domestic ungulates."

Section 6. Section 15-24-925, MCA, is amended to read:

"15-24-925. Reimbursement to department — transmission of fees to state. (1) The department may withhold 2% of the money received under 15-24-921 as reimbursement for the collection of the fee on livestock: *unless a different percentage of money to be withheld is mutually agreed upon by the department and the department of livestock on an annual basis.*

(2) The department shall designate the amount received from the fee imposed on sheep and the amount received from the fee imposed on all other livestock and shall specify the separate

amounts in the report to the department of livestock. The money, when received by the department, must be deposited in an account in the special revenue fund to the credit of the department of livestock. The money in the account must be kept separate from other funds received by the department of livestock."

Section 7. Section 15-35-108, MCA, is amended to read:

"15-35-108. (Temporary) Disposal of severance taxes. Severance taxes collected under this chapter must, in accordance with the provisions of 15-1-501, be allocated as follows:

(1) Fifty percent of total coal severance tax collections is allocated to the trust fund created by Article IX, section 5, of the Montana constitution. The trust fund money must be deposited in the fund established under 17-6-203(6) and invested by the board of investments as provided by law.

(2) Twelve percent of coal severance tax collections is allocated to the long-range building program account established in 17-7-205.

(3) The amount of ~~8.36%~~ 7.75% must be credited to an account in the state special revenue fund to be allocated by the legislature for local impacts, ~~county land planning~~, provision of basic library services for the residents of all counties through library federations and for payment of the costs of participating in regional and national networking, conservation districts, and the Montana Growth Through Agriculture Act. Expenditures of the allocation may be made only from this account. Money may not be transferred from this account to another account other than the general fund. Any unreserved fund balance at the end of each fiscal year must be deposited in the general fund.

(4) The amount of 1.27% must be allocated to a permanent fund account for the purpose of parks acquisition or management. Income from this permanent fund account, excluding unrealized gains and losses, must be appropriated for the acquisition, development, operation, and maintenance of any sites and areas described in 23-1-102.

(5) The amount of 0.95% must be allocated to the debt service fund type to the credit of the renewable resource loan debt service fund.

(6) The amount of 0.63% must be allocated to a trust fund for the purpose of protection of works of art in the capitol and for other cultural and aesthetic projects. Income from this trust fund, excluding unrealized gains and losses, must be appropriated for protection of works of art in the state capitol and for other cultural and aesthetic projects.

(7) (a) Subject to subsections (7)(b) and (7)(c), all other revenue from severance taxes collected under the provisions of this chapter must be credited to the general fund of the state.

(b) The interest income from \$140 million of the coal severance tax permanent fund that is deposited in the general fund is statutorily appropriated, as provided in 17-7-502, on an annual basis as follows:

- (i) \$65,000 to the cooperative development center;
- (ii) \$1.25 million for the growth through agriculture program provided for in Title 90, chapter 9;
- (iii) to the department of commerce:
 - (A) \$125,000 for a small business development center;
 - (B) \$50,000 for a small business innovative research program;
 - (C) \$425,000 for certified communities;
 - (D) \$200,000 for the Montana manufacturing extension center at Montana state university-Bozeman; and
 - (E) \$300,000 for export trade enhancement;
- (iv) \$350,000 to the office of economic development for business recruitment and retention; and

(v) \$600,000 to the department of administration for the purpose of reimbursing tax increment financing industrial districts as provided in 7-15-4299. Reimbursement must be made to qualified districts on a proportional basis to the loss of taxable value as a result of Chapter 285, Laws of 1999, and as documented by the department of revenue. This documentation must be provided to the budget director and to the legislative fiscal analyst. The reimbursement may not be used to pay debt service on tax increment bonds to the extent that

the bonds are secured by a guaranty, a letter of credit, or a similar arrangement provided by or on behalf of an owner of property within the district.

(c) Beginning July 1, 2001, there is transferred annually from the interest income referred to in subsection (7)(b) \$4.85 million to the research and commercialization state special revenue account created in 90-3-1002. (Terminates June 30, 2005—sec. 10(2), Ch. 10, Sp. L. May 2000.)

15-35-108. (Effective July 1, 2005) Disposal of severance taxes. Severance taxes collected under this chapter must, in accordance with the provisions of 15-1-501, be allocated as follows:

(1) Fifty percent of total coal severance tax collections is allocated to the trust fund created by Article IX, section 5, of the Montana constitution. The trust fund money must be deposited in the fund established under 17-6-203(6) and invested by the board of investments as provided by law.

(2) Twelve percent of coal severance tax collections is allocated to the long-range building program account established in 17-7-205.

(3) The amount of ~~8.36%~~ 7.75% must be credited to an account in the state special revenue fund to be allocated by the legislature for local impacts, ~~county land planning~~, provision of basic library services for the residents of all counties through library federations and for payment of the costs of participating in regional and national networking, conservation districts, and the Montana Growth Through Agriculture Act. Expenditures of the allocation may be made only from this account. Money may not be transferred from this account to another account other than the general fund. Any unreserved fund balance at the end of each fiscal year must be deposited in the general fund.

(4) The amount of 1.27% must be allocated to a permanent fund account for the purpose of parks acquisition or management. Income from this permanent fund account, excluding unrealized gains and losses, must be appropriated for the acquisition, development, operation, and maintenance of any sites and areas described in 23-1-102.

(5) The amount of 0.95% must be allocated to the debt service fund type to the credit of the renewable resource loan debt service fund.

(6) The amount of 0.63% must be allocated to a trust fund for the purpose of protection of works of art in the capitol and for other cultural and aesthetic projects. Income from this trust fund account, excluding unrealized gains and losses, must be appropriated for protection of works of art in the state capitol and for other cultural and aesthetic projects.

(7) All other revenue from severance taxes collected under the provisions of this chapter must be credited to the general fund of the state.”

Section 8. Section 15-65-121, MCA, is amended to read:

“15-65-121. (Temporary) Distribution of tax proceeds. (1) The proceeds of the tax imposed by 15-65-111 must, in accordance with the provisions of 15-1-501, be deposited in an account in the state special revenue fund to the credit of the department. The department may spend from that account in accordance with an expenditure appropriation by the legislature based on an estimate of the costs of collecting and disbursing the proceeds of the tax. Before allocating the balance of the tax proceeds in accordance with the provisions of 15-1-501 and as provided in subsections (1)(a) through (1)(e) of this section, the department shall determine the expenditures by state agencies for in-state lodging for each reporting period and deduct 4% of that amount from the tax proceeds received each reporting period. The amount deducted must be deposited in the fund or funds from which in-state lodging expenditures were paid by state agencies. The amount of \$400,000 each year must be deposited in the Montana heritage preservation and development account provided for in 22-3-1004. *For the fiscal year ending June 30, 2003, the amount of \$1.7 million must be deposited in the state general fund.* The balance of the tax proceeds received each reporting period and not deducted pursuant to the expenditure appropriation, deposited in the fund or funds from which in-state lodging expenditures were paid by state agencies, or deposited in the heritage preservation and development account is statutorily appropriated, as provided in 17-7-502, and must be transferred to an account in the state special revenue fund to the credit of the department of

commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials, to the Montana historical society, to the university system, and to the department of fish, wildlife, and parks, as follows:

(a) 1% to the Montana historical society to be used for the installation or maintenance of roadside historical signs and historic sites;

(b) 2.5% to the university system for the establishment and maintenance of a Montana travel research program;

(c) 6.5% to the department of fish, wildlife, and parks for the maintenance of facilities in state parks that have both resident and nonresident use;

(d) 67.5% to be used directly by the department of commerce; and

(e) (i) except as provided in subsection (1)(e)(ii), 22.5% to be distributed by the department to regional nonprofit tourism corporations in the ratio of the proceeds collected in each tourism region to the total proceeds collected statewide; and

(ii) if 22.5% of the proceeds collected annually within the limits of a city, consolidated city-county, resort area, or resort area district exceeds \$35,000, 50% of the amount available for distribution to the regional nonprofit tourism corporation in the region where the city, consolidated city-county, resort area, or resort area district is located, to be distributed to the nonprofit convention and visitors bureau in that city, consolidated city-county, resort area, or resort area district.

(2) If a city, consolidated city-county, resort area, or resort area district qualifies under this section for funds but fails to either recognize a nonprofit convention and visitors bureau or submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds must be allocated to the regional nonprofit tourism corporation in the region in which the city, consolidated city-county, resort area, or resort area district is located.

(3) If a regional nonprofit tourism corporation fails to submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds otherwise allocated to the regional nonprofit tourism corporation may be used by the department of commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials. (Terminates July 1, 2007—sec. 3, Ch. 469, L. 2001.)

15-65-121. (Effective July 1, 2007) Distribution of tax proceeds. (1) The proceeds of the tax imposed by 15-65-111 must, in accordance with the provisions of 15-1-501, be deposited in an account in the state special revenue fund to the credit of the department. The department may spend from that account in accordance with an expenditure appropriation by the legislature based on an estimate of the costs of collecting and disbursing the proceeds of the tax. Before allocating the balance of the tax proceeds in accordance with the provisions of 15-1-501 and as provided in subsections (1)(a) through (1)(e) of this section, the department shall determine the expenditures by state agencies for in-state lodging for each reporting period and deduct 4% of that amount from the tax proceeds received each reporting period. The amount deducted must be deposited in the fund or funds from which in-state lodging expenditures were paid by state agencies. The balance of the tax proceeds received each reporting period and not deducted pursuant to the expenditure appropriation or deposited in the fund or funds from which in-state lodging expenditures were paid by state agencies is statutorily appropriated, as provided in 17-7-502, and must be transferred to an account in the state special revenue fund to the credit of the department of commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials, to the Montana historical society, to the university system, and to the department of fish, wildlife, and parks, as follows:

(a) 1% to the Montana historical society to be used for the installation or maintenance of roadside historical signs and historic sites;

(b) 2.5% to the university system for the establishment and maintenance of a Montana travel research program;

(c) 6.5% to the department of fish, wildlife, and parks for the maintenance of facilities in state parks that have both resident and nonresident use;

(d) 67.5% to be used directly by the department of commerce; and

(e) (i) except as provided in subsection (1)(e)(ii), 22.5% to be distributed by the department to regional nonprofit tourism corporations in the ratio of the proceeds collected in each tourism region to the total proceeds collected statewide; and

(ii) if 22.5% of the proceeds collected annually within the limits of a city, consolidated city-county, resort area, or resort area district exceeds \$35,000, 50% of the amount available for distribution to the regional nonprofit tourism corporation in the region where the city, consolidated city-county, resort area, or resort area district is located, to be distributed to the nonprofit convention and visitors bureau in that city, consolidated city-county, resort area, or resort area district.

(2) If a city, consolidated city-county, resort area, or resort area district qualifies under this section for funds but fails to either recognize a nonprofit convention and visitors bureau or submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds must be allocated to the regional nonprofit tourism corporation in the region in which the city, consolidated city-county, resort area, or resort area district is located.

(3) If a regional nonprofit tourism corporation fails to submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds otherwise allocated to the regional nonprofit tourism corporation may be used by the department of commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials.”

Section 9. Section 17-7-502, MCA, is amended to read:

“17-7-502. Statutory appropriations — definition — requisites for validity. (1) A statutory appropriation is an appropriation made by permanent law that authorizes spending by a state agency without the need for a biennial legislative appropriation or budget amendment.

(2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with both of the following provisions:

(a) The law containing the statutory authority must be listed in subsection (3).

(b) The law or portion of the law making a statutory appropriation must specifically state that a statutory appropriation is made as provided in this section.

(3) The following laws are the only laws containing statutory appropriations: 2-15-151; 2-17-105; 5-13-403; 10-3-203; 10-3-310; 10-3-312; 10-3-314; 10-4-301; 15-1-111; 15-1-113; 15-1-121; 15-23-706; 15-35-108; 15-36-324; 15-37-117; 15-38-202; 15-65-121; 15-70-101; 17-3-106; 17-3-212; 17-3-222; 17-3-241; 17-6-101; 17-7-304; 18-11-112; 19-3-319; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-305; 19-19-506; 19-20-604; 20-8-107; 20-9-534; 20-26-1503; 22-3-1004; ~~23-5-136~~; 23-5-306; 23-5-409; 23-5-612; 23-5-631; 23-7-301; 23-7-402; 37-43-204; 37-51-501; 39-71-503; 42-2-105; 44-12-206; 44-13-102; 50-4-623; 53-6-703; 53-24-206; 69-8-702; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 80-2-222; 80-4-416; 80-5-510; 80-11-518; 82-11-161; 87-1-513; 90-3-1003; 90-6-710; and 90-9-306.

(4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing, paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory appropriation authority for the payments. (In subsection (3): pursuant to Ch. 422, L. 1997, the inclusion of 15-1-111 terminates on July 1, 2008, which is the date that section is repealed; pursuant to sec. 10, Ch. 360, L. 1999, the inclusion of 19-20-604 terminates when the amortization period for the teachers’ retirement system’s unfunded liability is 10 years or less; pursuant to sec. 4, Ch. 497, L. 1999, the inclusion of 15-38-202 terminates July 1, 2014; pursuant to sec. 10(2), Ch. 10, Sp. L. May 2000, the inclusion of 15-35-108 and 90-6-710 terminates June 30, 2005; pursuant to sec. 17, Ch. 414, L. 2001, the inclusion of 2-15-151 terminates December 31, 2006; and pursuant to sec. 2, Ch. 594, L. 2001, the inclusion of 17-3-241 becomes effective July 1, 2003.)”

Section 10. Section 23-5-123, MCA, is amended to read:

"23-5-123. Disposal of money confiscated by reason of violation of gambling laws. All fines, penalties, forfeitures, and confiscated money collected by criminal, civil, or administrative process for a violation of a provision of parts 1 through 8 of this chapter or a rule of the department must be deposited ~~one-half~~ in the state general fund ~~and one-half in the general fund of the county in which the violation occurred.~~"

Section 11. Section 23-5-136, MCA, is amended to read:

"23-5-136. Injunction and other remedies. (1) If a person has engaged or is engaging in an act or practice constituting a violation of a provision of parts 1 through 8 of this chapter or a rule or order of the department, the department may:

(a) upon clear and convincing evidence, issue a temporary order to cease and desist from the gambling activity, act, or practice for a period not to exceed 60 days;

(b) following notice and an opportunity for hearing, and with the right of judicial review, under the Montana Administrative Procedure Act:

(i) issue a permanent order to cease and desist from the act or practice, which order remains in effect pending judicial review;

(ii) place a licensee on probation;

(iii) suspend for a period not to exceed 180 days a license or permit for the gambling activity, device, or enterprise involved in the act or practice constituting the violation;

(iv) revoke a license or permit for the gambling activity, device, or enterprise involved in the act or practice constituting the violation;

(v) impose a civil penalty not to exceed \$10,000 for each violation, whether or not the person is licensed by the department; and

(vi) impose any combination of the penalties contained in this subsection (1)(b); and

(c) bring an action in district court for relief against the act or practice. The department may not be required to post a bond. On proper showing, the court may:

(i) issue a restraining order, a temporary or permanent injunction, or other appropriate writ;

(ii) suspend or revoke a license or permit; and

(iii) appoint a receiver or conservator for the defendant or the assets of the defendant.

(2) The department may issue a warrant for distraint against an operator who fails to pay a civil penalty imposed under subsection (1) or a tax imposed under 23-5-409 or 23-5-610. The department may issue the warrant for the amount of the unpaid penalty or for the amount of the unpaid tax, plus penalty and accumulated interest on the tax, and shall follow the procedures provided in 15-1-701 through 15-1-708.

(3) (a) A civil penalty imposed under this section must be collected by the department and distributed as provided in 23-5-123. ~~The local government portion of the penalty payment is statutorily appropriated to the department, as provided in 17-7-502, for deposit to the county or municipal treasury.~~

(b) If a person fails to pay the civil penalty, the amount due is a lien on the person's licensed premises and gambling devices in the state and may be recovered by the department in a civil action."

Section 12. Section 25-1-201, MCA, is amended to read:

"25-1-201. Fees of clerk of district court. (1) The clerk of district court shall collect the following fees:

(a) at the commencement of each action or proceeding, except a petition for dissolution of marriage, from the plaintiff or petitioner, \$90; for filing a complaint in intervention, from the intervenor, \$80; for filing a petition for dissolution of marriage, \$160; for filing a petition for legal separation, \$150; and for filing a petition for a contested amendment of a final parenting plan, \$120;

(b) from each defendant or respondent, on appearance, \$60;

(c) on the entry of judgment, from the prevailing party, \$45;

(d) for preparing copies of papers on file in the clerk's office, 50 cents a page for the first five pages of each file, for each request, and 25 cents for each additional page;

(e) for each certificate, with seal, \$2;

(f) for oath and jurat, with seal, \$1;

(g) for a search of court records, 50 cents for each year searched, not to exceed a total of \$25;

(h) for filing and docketing a transcript of judgment or transcript of the docket from all other courts, the fee for entry of judgment provided for in subsection (1)(c);

(i) for issuing an execution or order of sale on a foreclosure of a lien, \$5;

(j) for transmission of records or files or transfer of a case to another court, \$5;

(k) for filing and entering papers received by transfer from other courts, \$10;

(l) for issuing a marriage license, \$30;

(m) on the filing of an application for informal, formal, or supervised probate or for the appointment of a personal representative or the filing of a petition for the appointment of a guardian or conservator, from the applicant or petitioner, \$70, which includes the fee for filing a will for probate;

(n) on the filing of the items required in 72-4-303 by a domiciliary foreign personal representative of the estate of a nonresident decedent, \$55;

(o) for filing a declaration of marriage without solemnization, \$30;

(p) for filing a motion for substitution of a judge, \$100;

(q) for filing a petition for adoption, \$75.

(2) Except as provided in subsections (3), ~~and (5), through (7) and (6)~~, fees collected by the clerk of district court must:

(a) *prior to July 1, 2003*, be forwarded to the department of revenue for deposit in the state general fund; *and*

(b) *after June 30, 2003*, be deposited in the state general fund as specified by the supreme court administrator.

(3) (a) Of the fee for filing a petition for dissolution of marriage, \$5 must be deposited in the children's trust fund account established in 52-7-102, \$9 must be deposited in the civil legal assistance for indigent victims of domestic violence account established in 3-2-714, and \$30 must be deposited in the partner and family member assault intervention and treatment fund established in 40-15-110.

(b) Of the fee for filing a petition for legal separation, \$5 must be deposited in the children's trust fund account established in 52-7-102 and \$30 must be deposited in the partner and family member assault intervention and treatment fund established in 40-15-110.

(4) If the moving party files a statement signed by the nonmoving party agreeing not to contest an amendment of a final parenting plan at the time the petition for amendment is filed, the clerk of district court may not collect from the moving party the fee for filing a petition for a contested amendment of a parenting plan under subsection (1)(a).

(5) ~~The~~ *Through June 30, 2003*, the clerk of district court shall remit to the credit of the special revenue account established in 42-2-105 \$70 of the filing fee required in subsection (1)(q).

(6) Of the fee for filing an action or proceeding, except a petition for dissolution of marriage, \$9 must be deposited in the civil legal assistance for indigent victims of domestic violence account established in 3-2-714.

(7) The fees collected under subsections (1)(d), (1)(g), and (1)(j) must be deposited in the county district court fund. If a district court fund does not exist, the fees must be deposited in the county general fund for district court operations.

(8) *Any filing fees, fines, penalties, or awards collected by the district court or district court clerk not otherwise specifically allocated must be deposited in the state general fund."*

Section 13. Section 46-23-1031, MCA, is amended to read:

"46-23-1031. Supervisory fees — account established. (1) (a) Except as provided in subsection (1)(b), a probationer or parolee shall pay a supervisory fee of no less than \$120 a year and no more than \$360 a year, prorated at no less than \$10 a month for the number of months

under supervision. The fee must be collected by the clerk of the district court with jurisdiction during the probationer's or parolee's period of supervision under this part.

(b) The court or the board may reduce or waive the fee or suspend the monthly payment of the fee if it determines that the payment would cause the probationer or parolee a significant financial hardship.

(2) (a) There is an account in the state special revenue fund for the fees collected under the provisions of this section.

(b) (i) ~~District~~ *Prior to July 1, 2003, district* court clerks shall deduct from the total fees collected pursuant to subsection (1) the administrative cost of collecting and accounting for the fees and shall deposit the remaining amount into the state special revenue account established in subsection (2)(a).

(ii) *After June 30, 2003, district court clerks shall deposit the fees into the state special revenue account established in subsection (2)(a) as specified by the supreme court administrator."*

Section 14. Section 50-15-301, MCA, is amended to read:

"50-15-301. Marriage certificates. Before the 10th day of each month, each clerk of a district court shall report marriage certificates filed ~~with him~~ during the preceding calendar month to the department. Reports ~~shall~~ *must* be on forms and contain information prescribed by the department. The applicant for a marriage license shall pay a recording fee of 25 cents to the officer authorized to issue the marriage license. *Beginning July 1, 2003, the recording fee must be forwarded to the state for deposit in the state general fund."*

Section 15. Section 53-2-207, MCA, is amended to read:

"53-2-207. Power of department in administering state and federal funds. In administering or supervising any state or federal funds appropriated or made available to the department for public assistance purposes, the department ~~has the authority to~~ *may*:

~~(1) require the county to pay an administrative fee to the state general fund for the purpose of reimbursing the department, in part, for the costs of administering and providing public assistance to county residents in need;~~

~~(2)(1)~~ make use of all legal processes to enforce the standards prescribed for public assistance purposes by the department; and

~~(3)(2)~~ require that each part of the public assistance laws be in effect in all counties of the state."

Section 16. Section 61-3-201, MCA, is amended to read:

"61-3-201. Transfer of interest — cancellation of erroneous certificate of ownership or registration. (1) Upon a transfer of any interest in a motor vehicle registered under the provisions of this chapter, the person whose interest is to be transferred shall ~~write his signature with pen and ink upon~~ *sign* the certificate of ownership issued for the vehicle in the appropriate space provided, and the signature must be acknowledged before the county treasurer, a deputy county treasurer, an elected official authorized to acknowledge signatures, an employee of the department, or a notary public.

(2) Within 20 calendar days after endorsement, the transferee shall forward both the endorsed certificate of ownership with the odometer mileage statement required under 61-3-206 and the certificate of registration, together with the information required under 61-3-202, to the county treasurer, who shall forward them to the department. The department may not issue a certificate of ownership or certificate of registration until the outstanding certificates are surrendered to that office or their loss is established to its reasonable satisfaction. Failure to make application within the 20-day grace period subjects the transferee to a penalty of \$10. The county treasurer shall collect the penalty at the time of registration *and forward the penalty fee to the department of revenue for deposit in the state general fund.* The penalty is in addition to the fees otherwise provided by law. If the transferee does not make application within 25 days, a creditor or secured party may pay the fees for the transfer of title and filing of security interest or lien in order to have title transferred to the transferee and have

the security interest or lien filed. The creditor or secured party is not liable for the penalty, registration fees, or taxes. The department shall return the certificate of title to the county treasurer as provided in 61-3-103(1). When the certificate of ownership is returned by the department to the county treasurer, the treasurer shall hold the certificate of ownership until the vehicle is properly registered.

(3) In the event of a transfer by operation of law of any interest in a motor vehicle as upon inheritance, devise, or bequest, order in bankruptcy or insolvency, execution sale, repossession upon default in the performance of the terms of a lease or executory sales contract, or otherwise than by voluntary act of the person whose title or interest is transferred, the executor, administrator, receiver, trustee, sheriff, or other representative or successor in interest of the person whose interest is transferred shall forward to the department an application for a certificate of ownership in the form required by the department, together with a verified or certified statement of the transfer of interest. The statement must set forth the reason for the involuntary transfer, the interest transferred, the name of the person to whom the interest is to be transferred, the process of procedure effecting the transfer, and other information requested by the department. Evidence and instruments otherwise required by law to effect a transfer of legal or equitable title to or an interest in chattels ~~as may be required in such cases~~ must be furnished with the statement. If the department is satisfied that the transfer is regular and that all formalities required by law have been complied with, it shall send to the owner, conditional sales vendor, lessor, mortgagee, and other lienor, as shown by its records, notice of the intended transfer and, not less than 5 days after sending notice, shall issue a new certificate of ownership and certificate of registration to the transferee. The notice required by this section is complied with by deposit in the U.S. mail of the notice, postage prepaid, addressed to the person at the respective address shown on its records.

(4) When the vehicle certificate of ownership that is involuntarily transferred is not registered in this state, the procedure in subsection (3) must be followed in applying for a new certificate of ownership and certificate of registration; ~~however~~ *However*, in lieu of the statement required in subsection (3), the department may accept an affidavit of repossession on the form provided by the state in which a lien has been perfected and the department need not send notice of intended transfer and shall issue a new certificate of ownership and a new certificate of registration to the person entitled to the certificates.

(5) (a) If the owner of one or more motor vehicles, trailers, semitrailers, or house trailers registered under this chapter and not exceeding a combined value of \$15,000 dies without leaving other property necessitating the procuring of letters of administration or letters testamentary, the surviving spouse or other heir unless the property is by will otherwise bequeathed may secure transfer of the decedent's certificate of ownership and the certificate of registration for the vehicle.

(b) The person seeking transfer of the certificate of ownership shall file an affidavit with the department setting forth the fact of survivorship and the name and address of any other heirs and other facts as are necessary under subsection (5)(a) to entitle the affiant to a transfer.

(c) The department is authorized to transfer the certificate of ownership and certificate of registration, subject to all security interests shown by its records, upon receipt of an affidavit showing that the affiant is entitled to a transfer under the provisions of subsection (5)(a).

(6) ~~Nothing in subsection~~ *Subsection (5) prevents* ~~does not prevent~~ a secured party from assigning ~~his the secured party's~~ interest in a motor vehicle registered under the provisions of this chapter to any other person without the consent of and without affecting the interest of the holder of the certificate of ownership and certificate of registration. Upon any assignment by a secured party of ~~his the secured party's~~ security interest in any motor vehicle registered under this chapter, a copy of the assignment must be filed with the department and a record of the assignment *must be made upon* in its records.

(7) The certificate of ownership is valid until canceled by the department upon a transfer of any interest shown in the certificate, and annual renewal is not needed.

(8) (a) Upon its determination that a certificate of ownership or a registration receipt contains an error or that the applicant has paid the required fees and taxes with an insufficient funds check and if the department has been notified of that fact by the county attorney, the

department may cancel the certificate of ownership or receipt and, in the case of an error, issue a replacement for the erroneous certificate or receipt if the owner has returned the certificate or receipt to be canceled. If the owner fails to return to the department the certificate of ownership, the registration receipt, or the license plate, the department shall direct a peace officer or department employee to secure and return the certificate, receipt, or license plate to the department.

(b) Any person who fails to return a certificate of ownership or a registration receipt that contains an error or that has been canceled by the department ~~due to~~ *because of* an insufficient funds check, as provided in subsection (8)(a), after receiving actual notice of the department's demand for the return of the certificate or receipt, as required by subsection (8)(a), is guilty of a misdemeanor and upon conviction may be fined an amount not to exceed \$500."

Section 17. Section 61-3-317, MCA, is amended to read:

"61-3-317. New registration required for transferred vehicle — grace period — penalty — display of proof of purchase. Except as otherwise provided in this section, the new owner of a transferred motor vehicle has a grace period of 20 calendar days from the date of purchase to make application and pay the registration fees, fees in lieu of tax and other fees required by part 5 of this chapter, and local option taxes, if applicable, unless the fees and taxes have been paid for the year or for the 24-month period as provided in 61-3-315, as if the vehicle were being registered for the first time in that registration year. If the motor vehicle was not purchased from a licensed motor vehicle dealer as provided in this chapter, it is not a violation of this chapter or any other law for the purchaser to operate the vehicle upon the streets and highways of this state without a certificate of registration during the 20-day period, provided that at all times during that period, a vehicle purchase sticker in a form prescribed and furnished by the department, obtained from the county treasurer or a law enforcement officer as authorized by the department, reciting the date of purchase is clearly displayed in the rear window of the motor vehicle. Registration and license fees collected under 61-3-321 are not required to be paid when a license plate is transferred under 61-3-335 and this section. Failure to make application within the time provided in this section subjects the purchaser to a penalty of \$10. The penalty must be collected by the county treasurer at the time of registration and is in addition to the fees otherwise provided by law. *The penalty must be deposited in the state general fund.*"

Section 18. Section 61-3-321, MCA, is amended to read:

"61-3-321. Registration fees of vehicles — certain vehicles exempt from license or registration fees — disposition of fees. (1) Registration or license fees must be paid upon registration or reregistration of motor vehicles, trailers, and semitrailers, in accordance with this chapter, as follows:

- (a) light vehicles under 2,850 pounds, \$13.75;
- (b) trailers with a declared weight of less than 2,500 pounds and semitrailers, \$8.25;
- (c) motor vehicles registered pursuant to 61-3-411 that are:
 - (i) over 2,850 pounds, \$10; and
 - (ii) under 2,850 pounds, \$5;
- (d) off-highway vehicles registered pursuant to 23-2-817, \$9;
- (e) light vehicles over 2,850 pounds, trucks and buses less than 1 ton, and heavy trucks in excess of 1 ton, \$18.75;
- (f) logging trucks less than 1 ton, \$23.75;
- (g) motor homes, \$22.25;
- (h) motorcycles and quadricycles, \$9.75;
- (i) trailers and semitrailers between 2,500 and 6,000 pounds, \$11.25;
- (j) trailers and semitrailers in excess of 6,000 pounds, *other than trailers and semitrailers registered in other jurisdictions and registered through a proportional registration agreement*, \$16.25;
- (k) travel trailers, \$11.75; and
- (l) recreational vehicles, \$3.50.

(2) If a motor vehicle, trailer, or semitrailer is originally registered 6 months after the time of registration as set by law, the registration or license fee for the remainder of the year is one-half of the regular fee.

(3) An additional fee of \$5 must be collected for the registration of each motorcycle as a safety fee and must be deposited in the state motorcycle safety account provided for in 20-25-1002.

(4) A fee of \$2 for each set of new number plates must be collected when number plates provided for under 61-3-332(2) are issued.

(5) The provisions of this part with respect to the payment of registration fees do not apply to and are not binding upon motor vehicles, trailers, semitrailers, or tractors owned or controlled by the United States of America or any state, county, city, or special district, as defined in 18-8-202.

(6) (a) Except as provided in ~~subsection (6)(b) and~~ 61-3-562 and subsection (6)(b) of this section, a fee of 25 cents a year for each registration of a vehicle must be collected when a vehicle is registered or reregistered. The revenue derived from this fee must be forwarded by the county treasurer for deposit in the general fund for transfer to the credit of the senior citizens and persons with disabilities transportation services account provided for in 7-14-112.

(b) The following vehicles are not subject to the fee imposed in subsection (6)(a):

(i) trailers and semitrailers registered in other jurisdictions and registered through a proportional registration agreement; and

(ii) travel trailers, recreational vehicles, and off-highway vehicles registered pursuant to 23-2-817.

(7) The provisions of this section relating to the payment of registration fees or new number plate fees do not apply when number plates are transferred to a replacement vehicle under 61-3-317, 61-3-332, or 61-3-335.

(8) A person qualifying under 61-3-332(10)(d) is exempt from the fees required under this section.

(9) Except as otherwise provided in this section, revenue collected under this section must be deposited in the state general fund."

Section 19. Section 61-3-537, MCA, is amended to read:

"61-3-537. (Temporary) Local option vehicle tax. (1) A county may impose a local vehicle tax on vehicles subject to the registration fee imposed under 61-3-560 through 61-3-562 at a rate of up to 0.7% of the value determined under 61-3-503 or a local flat fee, in addition to the fee imposed under 61-3-560 through 61-3-562.

(2) A local vehicle tax or flat fee is payable at the same time and in the same manner as the fee imposed under 61-3-560 through 61-3-562. ~~The first priority of the local vehicle tax or flat fee is for district court funding, and the tax or fee is distributed as follows:~~

(a) 50% to the county; and

(b) the remaining 50% to the county and the incorporated cities and towns within the county, apportioned on the basis of population. The distribution to a city or town is determined by multiplying the amount of money available by the ratio of the population of the city or town to the total county population. The distribution to the county is determined by multiplying the amount of money available by the ratio of the population of unincorporated areas within the county to the total county population.

(3) The governing body of a county may impose, revise, or revoke a local vehicle tax or flat fee if the imposition, revision, or revocation of the tax or fee is approved by the electorate of the county. The imposition, revision, or revocation of the tax or fee is effective on January 1 following its approval by the electorate. The county governing body by resolution may provide for the distribution of the local vehicle tax or flat fee. (Terminates June 30, 2005—sec. 2, 3, Ch. 217, L. 1995.)

61-3-537. (Effective July 1, 2005) Local option vehicle tax. (1) A county may impose a local vehicle tax on vehicles subject to the registration fee imposed under 61-3-560 through 61-3-562 at a rate of up to 0.7% of the value determined under 61-3-503, in addition to the fee imposed under 61-3-560 through 61-3-562.

(2) A local vehicle tax or flat fee is payable at the same time and in the same manner as the fee imposed under 61-3-560 through 61-3-562 ~~and is distributed in the same manner as provided in 61-3-509, based on the registration address of the owner of the motor vehicle.~~

(3) The governing body of a county may impose, revise, or revoke a local vehicle tax if the imposition, revision, or revocation of the tax is approved by the electorate of the county. The imposition, revision, or revocation of the tax is effective on January 1 following its approval by the electorate."

Section 20. Section 61-3-562, MCA, is amended to read:

"61-3-562. Permanent registration — transfer of vehicle ownership — rules.

(1) (a) The owner of a light vehicle 11 years old or older subject to the registration fee, as provided in 61-3-561, may permanently register the vehicle upon payment of a \$50 registration fee, the applicable registration and license fees under 61-3-321, and an amount equal to five times the applicable fees imposed for each of the following:

- (i) junk vehicle disposal fees under 15-1-122(3)(a);
- (ii) weed control fees under 15-1-122(3)(b);
- (iii) the former county motor vehicle computer fees under 61-3-511;
- (iv) the local option vehicle tax or flat fee on vehicles under 61-3-537;
- (v) if applicable, license plate fees under 61-3-332 and renewal fees for personalized plates under 61-3-406;
- (vi) if applicable, the amateur radio operator license plate fee under 61-3-422;
- (vii) if applicable, the annual scholarship donation fee under 61-3-465; and
- (viii) senior citizens and persons with disabilities transportation services fees as provided in 61-3-321(6).

(b) A person who permanently registers a vehicle as provided in subsection (1)(a) shall pay an additional \$2 fee at the time of registration for deposit in the state general fund. The department shall pay from the general fund an amount equal to the \$2 fee collected under this subsection (1)(b) from each motor vehicle registration to the pension trust fund for payment of supplemental benefits provided for in 19-6-709.

(2) In addition to the fees described in subsection (1), an owner of a truck with a manufacturer's rated capacity of 1 ton or less that is permanently registered shall pay five times the applicable fees imposed under 61-10-201.

(3) The owner of a vehicle that is permanently registered under this section is not subject to additional fees under 61-3-561 or to other motor vehicle registration fees described in this section for as long as the owner owns the vehicle.

(4) The county treasurer shall:

- (a) distribute the \$50 registration fee collected under this section as provided in 61-3-509;
- (b) once each month, remit to the department of revenue the amounts collected under this section, *other than the local option vehicle tax or flat fee*, for the purposes of 61-3-321(3) and 61-10-201. *The county treasurer shall retain the local option vehicle tax or flat fee.*

(5) (a) The permanent registration of a vehicle allowed by this section may not be transferred to a new owner. If the vehicle is transferred to a new owner, the department shall cancel the vehicle's permanent registration.

(b) Upon transfer of a vehicle registered under this section to a new owner, the new owner shall apply for a certificate of ownership under 61-3-201 and file an application for registration under 61-3-303. (Subsection (1)(b) terminates on occurrence of contingency—sec. 24, Ch. 191, L. 2001.)"

Section 21. Section 61-4-310, MCA, is amended to read:

"61-4-310. Single movement permit — fee — limitation — county treasurer to issue. (1) (a) A vehicle, subject to license under this title, or a mobile home may be moved unladen upon the highways of this state from a point within the state to a point of destination. The county treasurer at the point of the origin of the movement shall issue a special permit for the vehicle in lieu of fees required under 61-3-321 and part 2 of chapter 10 of this title upon application presented to the county treasurer in a form provided by the department, upon exhibiting to the county treasurer proof of ownership and evidence that the personal property

taxes on the vehicle, if any are due, have been paid, and upon payment of a fee of \$5. *The fee must be forwarded to the department of revenue for deposit in the state general fund.* The permit is not in lieu of fees and permits required under 61-4-301 and 61-4-302.

(b) For purposes of this section, a mobile home is considered unladen when all items are removed except the equipment originally installed by the manufacturer and the personal effects of the owners.

(2) The permit is for the transit of the vehicle or mobile home only, and the vehicle or mobile home may not at the time of the transit be used for the transportation of any persons, except the driver, or any property for compensation or otherwise and is for one transit only between the points of origin and destination as set forth in the application and shown on the permit.

(3) A junk vehicle being driven or towed to a motor vehicle wrecking facility or a motor vehicle graveyard for disposal is exempt from the provisions of this section. The definitions in 75-10-501 apply to this subsection."

Section 22. Section 61-10-148, MCA, is amended to read:

"61-10-148. Disposition of fines and forfeited bonds. (1) Except as provided in 61-12-701 and subsection (2) of this section, all the money collected as fines and forfeited bonds for violations of Title 61, chapter 10, must be remitted monthly by the county treasurer to the department of revenue, as provided in 15-1-504, for deposit in the state general fund. This subsection does not apply to fines and forfeited bonds paid to justices' courts.

(2) If the apprehension or arrest was for a violation of Title 61, chapter 10, and if the offense occurred on a road or highway not included under the provisions of 60-2-128 and 60-2-203, all money collected as fines and forfeited bonds must be ~~distributed to the county treasurer for deposit in the county road~~ *deposited in the state general fund.*"

Section 23. Section 61-12-701, MCA, is amended to read:

"61-12-701. Disposition of fines and forfeitures. ~~Except as provided in 61-10-148(2),~~ *all* All fines and forfeitures collected in any court, except a justice's court, for violation of the laws and regulations relating to the use of state highways and the operation of vehicles on state highways, if the apprehension or arrest was by a highway patrol officer, must be paid to the department of revenue for credit to the state general fund or, if the apprehension or arrest was by a sheriff or deputy sheriff, must be paid to the county treasurer for deposit in the county general fund, except for that portion of the fines otherwise allocated by law, which must be paid into the appropriate accounts in the state special revenue fund."

Section 24. Section 80-2-230, MCA, is amended to read:

"80-2-230. Collection of fees — release of lien. (1) The department of revenue shall collect all fees imposed under this part. The department of revenue shall deposit the money with the state treasurer. The department of revenue shall use due diligence in making the collections of the fees provided in this part.

(2) All insurance fees, whether imposed against land or in the form of special assessments secured by crop liens, are payable in full and not in semiannual payments on or before November 30 of each year in which the fees are imposed.

(3) When the amount due on any hail insurance secured by a crop lien is paid, the department of revenue shall promptly endorse on the lien on file in the office of the county clerk and recorder the amount paid with the date of payment. The endorsement is considered a satisfaction and release of the lien.

(4) *The penalty and interest provisions of 15-1-216 apply to late payments of fees imposed under this part.*"

Section 25. Section 244, Chapter 574, Laws of 2001, is amended to read:

"Section 244. School district block grants. (1) (a) The office of public instruction shall provide a block grant to each school district based on the revenue received by each district in fiscal year 2001 from vehicle taxes and fees, corporate license taxes paid by financial institutions, aeronautics fees, state land payments in lieu of taxes, and property tax

reimbursements pursuant to sections 167(1) through (5) and 169(6), Chapter 584, Laws of 1999.

(b) Block grants must be calculated using the electronic reporting system that is used by the office of public instruction and school districts. The electronic reporting system must be used to allocate a portion of the block grant amount into each district’s fiscal year 2002 budget as an anticipated revenue source by fund.

(c) With the exception of vehicle taxes and fees, the office of public instruction shall use the amount actually received from the sources listed in subsection (1)(a) in fiscal year 2001 in its calculation of the block grant for fiscal year 2002 budgeting purposes. For vehicle taxes and fees, the office of public instruction shall use 93.4% of the amount actually received in fiscal year 2001 in calculating the block grant for fiscal year 2002.

(2) If the ~~biennial~~ *fiscal year 2003* appropriation provided in [section 248(1)] is insufficient to fund the school district block grants in fiscal year 2003 at the fiscal year 2002 level, the office of public instruction shall prorate the block grants to meet the remaining appropriation. School districts shall anticipate the prorated block grant amounts provided by the office of public instruction in their budgets for fiscal year 2003.

(3) Each year, 70% of each district’s block grant must be distributed in November and 30% of each district’s block grant must be distributed in May at the same time that guaranteed tax base aid is distributed. ~~If the appropriation for block grants is greater than or less than the amount received by schools from the sources enumerated in subsection (1), the office of public instruction shall prorate the amount appropriated based upon the fiscal year 2001 revenue.~~

(4) The average amount of the block grants in fiscal years 2002 and 2003 must be increased by 0.76% *in fiscal year 2004 and in each succeeding fiscal year.*”

Section 26. Section 245, Chapter 574, Laws of 2001, is amended to read:
“**Section 245. Countywide school retirement block grants.** (1) The office of public instruction shall distribute one-half of the amount appropriated for countywide school retirement in November and the remainder in May. The total amount for each county is as follows:

	FY 2002	FY2002	FY2003	FY2003
	Elementary Payment	High School Payment	Elementary Payment	High School Payment
Beaverhead	\$86,692	\$50,789	\$87,351 \$55,503	\$51,175 \$41,981
Big Horn	62,668	36,963	62,144 95,018	37,244 33,837
Blaine	61,160	10,193	61,624 46,318	10,271 81,109
Broadwater	0	92,686	0	92,390 34,949
Carbon	43,451	82,110	43,782 72,602	82,734 58,957
Carter	9,751	5,453	9,825 8,478	5,495 6,155
Cascade	349,056	192,848	351,709 282,266	194,314 142,282
Chouteau	75,384	41,034	75,957 58,455	41,346 29,474
Custer	78,925	36,930	79,525 57,608	37,211 32,128
Daniels	0	37,994	0	38,283 36,083
Dawson	85,568	38,722	86,219 64,693	39,016 24,827
Deer Lodge	39,980	17,059	40,284 34,455	17,189 16,807
Fallon	0	0	0	0 30,444
Fergus	119,028	78,809	119,932 90,464	79,408 55,527
Flathead	558,861	296,410	563,108 530,274	298,662 268,731
Gallatin	383,035	181,743	385,946 537,244	183,125 107,717
Garfield	12,337	10,170	12,431 12,100	10,247 4,620
Glacier	79,924	34,016	80,532 106,815	34,275 10,494
Golden Valley	0	16,716	0	16,843 14,492
Granite	14,074	48,026	14,180 12,523	48,391 30,727
Hill	142,867	82,538	143,953 59,593	83,165 35,211
Jefferson	116,679	59,523	117,565 143,901	59,976 59,690
Judith Basin	6,149	21,359	6,196 4,744	21,521 30,198
Lake	173,584	139,990	174,903 156,485	141,054 103,365
Lewis & Clark	344,112	211,726	346,728 370,958	213,335 173,847

Liberty	20,144	16,786	20,297 3,067	16,914 31,953
Lincoln	73,001	98,835	73,556 61,499	99,586 87,710
Madison	0	103,163	0 4,891	103,947 19,788
McCone	23,214	15,824	23,390 21,778	15,945 14,004
Meagher	13,654	10,678	13,758 9,250	10,759 9,492
Mineral	0	32,206	0	32,451 33,292
Missoula	487,129	362,756	490,832 587,637	365,513 357,669
Musselshell	30,675	21,577	30,908 48,959	21,741 41,250
Park	154,192	81,696	155,364 135,256	82,317 78,135
Petroleum	0	16,897	0	17,026 9,510
Phillips	10,502	95,084	10,582 103,747	95,806 54,728
Pondera	79,805	60,307	80,411 18,821	60,765 47,629
Powder River	18,815	15,011	18,958 0	15,125 0
Powell	69,695	22,666	70,225 71,420	22,838 30,458
Prairie	0	26,791	0	26,995 21,945
Ravalli	85,333	169,769	85,981 2,062	171,059 40,316
Richland	83,671	30,302	84,307 15,500	30,533 26,650
Roosevelt	71,090	60,329	71,630 96,278	60,787 61,038
Rosebud	359,662	286,411	362,395 475,055	288,588 126,246
Sanders	203,863	127,694	205,413 197,286	128,665 14,442
Sheridan	0	46,231	0	46,583 47,628
Silver Bow	249,821	141,541	251,719 193,304	142,617 119,358
Stillwater	91,487	75,926	92,182 91,185	76,503 51,769
Sweet Grass	36,996	36,327	37,277 24,214	36,603 12,316
Teton	57,760	41,547	58,199 45,217	41,863 40,769
Toole	43,323	51,399	43,652 36,109	51,790 73,362
Treasure	0	18,947	0	19,091 16,243
Valley	15,824	90,532	15,944 10,558	91,220 143,204
Wheatland	20,946	12,103	21,105 15,031	12,195 12,109
Wibaux	0	14,585	0	14,696 25,103
Yellowstone	1,125,488	643,136	1,134,042 1,070,887	648,024 612,203
Total	6,269,374	4,650,865	6,317,022 6,139,506	4,686,212 3,723,973

(2) The average amount of the block grants in fiscal years 2002 and 2003 must be increased by 0.76% in fiscal year 2004 and in each succeeding fiscal year.”

Section 27. Section 246, Chapter 574, Laws of 2001, is amended to read:

“Section 246. Countywide school transportation block grants. (1) The office of public instruction shall distribute one-half of the amount appropriated for countywide school transportation in November and the remainder in May. The total amount for each county is as follows:

	FY 2002 Payment	FY2003 Payment
Beaverhead	\$29,924	\$30,151 \$26,197
Big Horn	43,635	43,966 52,920
Blaine	3,727	3,756 13,384
Broadwater	14,935	15,048 21,769
Carbon	23,493	23,671 23,040
Carter	8,675	8,741 6,457
Cascade	84,382	85,024 5,760
Chouteau	33,063	33,314 26,028
Custer	7,069	7,123 6,272
Daniels	16,771	16,899 12,993
Dawson	21,356	21,518 14,001
Deer Lodge	14,392	14,502 14,482
Fallon	20,447	20,603 25,422
Fergus	58,765	59,211 30,799
Flathead	89,846	90,529 77,223
Gallatin	81,262	81,879 90,930
Garfield	17,284	17,415 7,135

Glacier	37,740	38,027	34,300
Golden Valley	3,547	3,574	3,591
Granite	8,153	8,215	6,726
Hill	46,409	46,762	17,070
Jefferson	36,329	36,605	34,792
Judith Basin	16,878	17,007	20,322
Lake	69,756	70,286	52,163
Lewis & Clark	58,287	58,730	69,557
Liberty	15,874	15,995	12,731
Lincoln	50,388	50,771	0
Madison	21,263	21,424	14,174
McCone	12,498	12,593	11,856
Meagher	4,237	4,269	6,366
Mineral	7,478	7,534	9,038
Missoula	93,969	94,683	94,480
Musselshell	12,945	13,043	20,627
Park	31,904	32,147	32,394
Petroleum	9,854	9,929	6,086
Phillips	31,080	31,316	43,852
Pondera	22,599	22,771	18,308
Powder River	21,304	21,465	0
Powell	16,622	16,748	14,581
Prairie	8,544	8,609	4,809
Ravalli	60,579	61,040	24,889
Richland	32,995	33,246	30,868
Roosevelt	25,740	25,935	40,216
Rosebud	97,820	98,564	89,433
Sanders	71,581	72,125	173,489
Sheridan	12,946	13,045	17,460
Silver Bow	21,872	22,038	18,381
Stillwater	27,358	27,566	15,344
Sweet Grass	14,996	15,110	6,340
Teton	28,202	28,416	20,759
Toole	17,208	17,339	15,592
Treasure	5,446	5,487	5,073
Valley	26,677	26,880	36,436
Wheatland	9,142	9,212	6,386
Wibaux	6,198	6,246	8,816
Yellowstone	149,314	150,448	145,322
Total	1,814,759	1,828,551	1,637,437

(2) The average ~~amount~~ of the block grants in fiscal years 2002 and 2003 must be increased by 0.76% in fiscal year 2004 and in each succeeding fiscal year."

Section 28. Section 248, Chapter 574, Laws of 2001, is amended to read:

"Section 248. Appropriations. (1) There is appropriated from the general fund to the office of public instruction ~~\$114,394,755~~ \$52,407,206 for the ~~biennium~~ fiscal year ending June 30, 2003, for the purpose of school district block grants as provided in [section 244].

(2) There is appropriated from the general fund to the office of public instruction \$10,920,239 for fiscal year 2002 and ~~\$11,003,234~~ \$9,863,479 for fiscal year 2003 for the purpose of countywide school retirement block grants as provided in [section 245].

(3) There is appropriated from the general fund to the office of public instruction \$1,814,759 for fiscal year 2002 and ~~\$1,828,551~~ \$1,637,437 for fiscal year 2003 for the purpose of countywide school transportation block grants as provided in [section 246].

(4) ~~If Senate Bill No. 176 is passed and approved, then there~~ There is appropriated from the general fund to the supreme court for fiscal year 2003 \$18,389,345 ~~the amount deducted from the entitlement share payment in [section 1(2)] plus an additional 6%.~~ The amount appropriated is up to \$25 million to be used for the purpose of implementing district court operations as directed in Senate Bill No. 176, enacted as Chapter 585, Laws of 2001."

Section 29. Section 249, Chapter 574, Laws of 2001, is amended to read:

“Section 249. Inclusion of appropriations in budget. The governor shall include the ~~appropriation in [section 248(1)]~~ \$107,395,032 in the *biennial* present law base budget prepared for the 58th legislative session for continued funding of the school district budget items funded by that appropriation.”

Section 30. Section 250, Chapter 574, Laws of 2001, is amended to read:

“Section 250. Reservation of funds. The amount of ~~\$7,447,018~~ \$12,210,205 must be reserved for countywide retirement and countywide transportation in fiscal year 2004, and the amount of ~~\$4,812,299~~ \$12,303,002 must be reserved for countywide retirement and countywide transportation in fiscal year 2005.”

Section 31. Section 257, Chapter 574, Laws of 2001, is amended to read:

“Section 257. Retroactive applicability. (1) [Section 253(2)] applies retroactively, within the meaning of 1-2-109, to July 1, 2000.

(2) [Section 143] applies retroactively, within the meaning of 1-2-109, to April 1, ~~2000~~ 2001.”

Section 32. Appropriation. There is appropriated \$220,000 from the state general fund to the department of revenue for providing a reimbursement to the city of Bozeman for accrued gaming revenue.

Section 33. Lodging facility use tax — intent. The \$1.7 million in lodging facility use tax allocated to the general fund in 15-65-121 is intended to be transferred to the general fund from money held in a reserve account in the department of commerce.

Section 34. Repealer. Sections 61-4-311 and 90-1-108, MCA, and section 4, Chapter 749, Laws of 1991, section 1, Chapter 217, Laws of 1993, and sections 2 and 3, Chapter 217, Laws of 1995, are repealed.

Section 35. Effective date. [This act] is effective on passage and approval.

Section 36. Retroactive applicability. (1) [Section 31] applies retroactively, within the meaning of 1-2-109, to April 1, 2001.

(2) [Sections 3, 4, 7, 15, 16, 18, 20, 21, and 34] apply retroactively, within the meaning of 1-2-109, to July 1, 2001.

(3) [Sections 1, 2, 5, 8, 12, 17, 19, 22, 23, and 25 through 30] apply retroactively, within the meaning of 1-2-109, to July 1, 2002.

Approved August 16, 2002

CHAPTER NO. 14

[HB 21]

AN ACT MAXIMIZING GENERAL FUND REVENUE BY ENHANCING COLLECTION OF STATE REIMBURSEMENT FOR INDIRECT COSTS ASSOCIATED WITH FEDERAL OR PRIVATE CONTRACTS AND GRANTS; REQUIRING FULL RECOVERY OF INDIRECT COSTS FROM FEDERAL AND PRIVATE GRANTS; PROVIDING THAT AN AGENCY MAY NOT WAIVE REIMBURSEMENT FOR INDIRECT COSTS; PROVIDING AN EXCEPTION FOR UNITS OF THE UNIVERSITY SYSTEM AND INTRAAGENCY OR INTERAGENCY GRANTS AND CONTRACTS; REQUIRING THE DEPARTMENT OF ADMINISTRATION TO PROVIDE ASSISTANCE TO AGENCIES; AMENDING SECTION 17-3-111, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

Be it enacted by the Legislature of the State of Montana:

Section 1. Section 17-3-111, MCA, is amended to read:

“17-3-111. Indirect cost rates — allocation. (1) Grantee agencies shall, in accordance with federal regulations and guidelines *and with private grant rules, as appropriate*, negotiate indirect cost rates ~~and endeavor, to the fullest extent possible, to reimbursement amounts and methodologies~~ and recover indirect costs of federal assistance programs *and private assistance programs*.

(2) *An agency, except for a unit of the university system, that applies for or otherwise receives funds through federal or private grants or contracts that do not allow the agency to fully recover indirect costs shall notify and receive written approval from its approving authority prior to accepting the funds.*

(3) *An agency, except for a unit of the university system, may not, as part of the grant or contract proposal or negotiation process, waive or otherwise forfeit the agency’s ability to recover indirect costs that are otherwise allowable costs under the program, except for intraagency or interagency grants or contracts. For grants or contracts for which the entity providing the funds limits administrative cost reimbursements or indirect cost recoveries by regulation, policy, or guideline, statewide and agency indirect costs paid originally from the general fund must be claimed first, other indirect costs must be claimed second, agency direct costs of administration must be claimed third, and program direct costs must be claimed last. For grants or contracts for which there is no limit on indirect costs or administrative costs, indirect and administrative costs must be claimed first and direct program costs must be claimed last.*

(4) *The department shall provide technical assistance to an agency on how to build indirect costs into a grant.*

~~(2)~~(5) *Indirect costs recovered from federal sources pursuant to the statewide cost allocation plan provided in 17-3-110, except those costs recovered by a unit of the university system, must be deposited in the general fund. All other indirect costs, except those costs recovered by a unit of the university system, must be deposited in the fund from which the indirect costs were originally paid.”*

Section 2. Effective date. [This act] is effective on passage and approval.

Approved August 16, 2002

CHAPTER NO. 15

[SB 6]

AN ACT LIMITING THE TRANSFER AUTHORITY OF TANF FUNDS FOR THE AFFORDABLE HOUSING REVOLVING LOAN ACCOUNT TO AN ALLOCATION OF \$700,000; AMENDING SECTION 2, CHAPTER 502, LAWS OF 2001; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

Be it enacted by the Legislature of the State of Montana:

Section 1. Section 2, Chapter 502, Laws of 2001, is amended to read:

“Section 2. Fund transfer allocation. The department of public health and human services shall ~~transfer \$3,415,928~~ *allocate \$700,000* of the TANF block grant received as federal special revenue to the affordable housing revolving loan account provided for in 90-6-133.”

Section 2. Effective date. [This act] is effective on passage and approval.

Approved August 20, 2002

CHAPTER NO. 16

[SB 19]

AN ACT REDUCING THE GENERAL FUND SHORTFALL IN REVENUE BY TRANSFERRING \$4 MILLION OF THE EXCESS FUNDS FROM CLAIMS OCCURRING BEFORE JULY 1, 1990, TO THE GENERAL FUND FOR FISCAL YEAR 2003 TO BE APPROPRIATED TO THE UNIVERSITY SYSTEM AND THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES AND TO BE TRANSFERRED TO THE STATE LIBRARY EQUIPMENT ACCOUNT AND TO THE SCHOOL FLEXIBILITY FUND; PROVIDING FOR A STUDY OF THE STRUCTURE OF THE STATE FUND TO BE FUNDED BY THE STATE FUND; AMENDING SECTION 39-71-2352, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE.

Be it enacted by the Legislature of the State of Montana:

Section 1. Section 39-71-2352, MCA, is amended to read:

"39-71-2352. Separate payment structure and sources for claims for injuries resulting from accidents that occurred before July 1, 1990, and on or after July 1, 1990 — spending limit — authorizing transfer of money between accounts for payment of claims. (1) Premiums paid to the state fund based upon wages payable before July 1, 1990, may be used only to administer and pay claims for injuries resulting from accidents that occurred before July 1, 1990. Premiums paid to the state fund based upon wages payable on or after July 1, 1990, may be used only to administer and pay claims for injuries resulting from accidents that occur on or after July 1, 1990.

(2) The state fund shall:

(a) determine the cost of administering and paying claims for injuries resulting from accidents that occurred before July 1, 1990, and separately determine the cost of administering and paying claims for injuries resulting from accidents that occur on or after July 1, 1990;

(b) keep adequate and separate accounts of the costs determined under subsection (2)(a); and

(c) fund administrative expenses and benefit payments for claims for injuries resulting from accidents that occurred before July 1, 1990, and claims for injuries resulting from accidents that occur on or after July 1, 1990, separately from the sources provided by law.

(3) The state fund may not spend more than \$1.25 million a year to administer claims for injuries resulting from accidents that occurred before July 1, 1990.

(4) As used in this section, "adequately funded" means the present value of:

(a) the total cost of future benefits remaining to be paid;

(b) the cost of administering the claims; and

(c) an additional amount equal to 10% of the total of the amounts in subsections (4)(a) and (4)(b).

(5) ~~By October 1 of each year following the first full fiscal year after termination of the old fund liability tax, any~~ Based on audited financial statements adjusted for unrealized gains and losses for the fiscal year ending June 30, 2002, funds in excess of the adequate funding amount established in subsection (4) must be returned to the account established in 39-71-2321 to pay claims for injuries resulting from accidents that occurred on or after July 1, 1990. The total amount of funds returned to the account under this section may not exceed \$63.8 million transferred as follows:

(a) Prior to June 30, 2003:

(i) the amount of \$1.9 million must be transferred to the general fund to be transferred to the state library equipment account and appropriated to the university system and the department of public health and human services; and

(ii) the amount of \$2.1 million must be transferred to the school flexibility fund, provided for in 20-9-543.

(b) In the fiscal year ending June 30, 2003, the remaining amount, and in subsequent fiscal years, an amount of funds in excess of the adequate funding amount established in subsection (4) must be transferred to the account established in 39-71-2321 to pay claims for injuries resulting from accidents that occurred on or after July 1, 1990. The total amount of funds transferred under this subsection may not exceed \$63.8 million.

(6) If in any fiscal year after the old fund liability tax is terminated claims for injuries resulting from accidents that occurred before July 1, 1990, are not adequately funded, any amount ~~returned to the account in 39-71-2321 to pay claims for injuries resulting from accidents that occurred on or after July 1, 1990, must be transferred back to the account established in 39-71-2321~~ necessary to pay claims for injuries resulting from accidents that occurred before July 1, 1990, must be transferred from the general fund to the account provided for in 39-71-2321.

(7) The independent actuary engaged by the state fund pursuant to 39-71-2330 shall project the unpaid claims liability for claims for injuries resulting from accidents that occurred before July 1, 1990, each fiscal year until all claims are paid."

Section 2. Study of state fund structure. (1) There is a committee to study the structure of the state fund. The members of the committee consists of:

- (a) three members of the house of representatives appointed by the speaker of the house;
- (b) three members of the senate appointed by the president of the senate;
- (c) a representative of employee groups appointed by the governor;
- (d) a representative of the office of the state auditor appointed by the state auditor;
- (e) a representative of plan 1 insurers appointed by the governor; and
- (f) a representative of plan 2 insurers appointed by the governor.

(2) The committee is attached to the state fund for funding and administrative purposes. The legislative members of the committee are entitled to a salary as provided in 5-2-302(3). The other members of the committee serve for no salary. All members of the committee are entitled to reimbursement for travel, meals, and lodging as provided in Title 2, chapter 18, part 5. The payment of members' claims for salary, travel, meals, and lodging are the responsibility of the state fund.

(3) The state fund shall present the recommendations of the committee to the 58th legislature.

Section 3. Effective date — retroactive applicability. [This act] is effective on passage and approval, and [section 1] applies retroactively, within the meaning of 1-2-109, to excess funds that have been transferred or are available to be transferred for the fiscal year ending June 30, 2002.

Approved August 20, 2002

CHAPTER NO. 17

[SB 26]

AN ACT REDUCING THE SHORTFALL IN GENERAL FUND REVENUE BY TRANSFERRING PORTIONS OF THE BALANCE OF THE INTERIM UNIVERSAL ACCESS ACCOUNT TO THE GENERAL FUND AND TO THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES; CLARIFYING THAT FUNDS MUST BE AVAILABLE FOR REIMBURSEMENT FROM THE INTERIM UNIVERSAL ACCESS ACCOUNT; AMENDING SECTIONS 69-3-859 AND 69-3-861, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

Be it enacted by the Legislature of the State of Montana:

Section 1. Section 69-3-859, MCA, is amended to read:

“69-3-859. Interim universal access program — services provided at discounts — reimbursements. (1) Telecommunications carriers shall provide advanced services to eligible users at specified discounts. The amount of the discount must be reimbursed to the provider from *available funds* in the interim universal access account established in 69-3-861.

(2) Except as provided in subsection (3), the advanced discount is equal to 50% of the best cost rate available to any business customer for an equivalent of one 56 kbps dedicated circuit to the nearest access point for the requested service. However, the cost to the eligible user may not exceed \$100 a month.

(3) If funds from the interim universal access account are not sufficient to fully reimburse for discounts authorized in subsection (2), the amount of the discounts to each eligible user must be reduced proportionally.

(4) Even if best cost rates available to any business customer increase by more than 5%, the amount payable by an eligible user may not increase by more than 5% during the period from April 22, 1997, to January 1, 2000.

(5) Subject to restrictions in federal law, if interstate universal access services are established by the federal communications commission, federal funding for universal access services must be used to reduce state funding for intrastate services.”

Section 2. Section 69-3-861, MCA, is amended to read:

“69-3-861. Interim universal access program — account. An interim universal access account is established in the state special revenue fund in the state treasury. All money received by the department of revenue pursuant to the surcharge that was in effect during the fiscal year ending June 30, 1999, must be paid to the state treasurer for deposit in the account. After payment of refunds, the balance of the account ~~must be used for the purposes described in 69-3-859 on [the effective date of this act]~~ must be transferred as follows:

(1) 90% to the state special revenue fund to the credit of the department of public health and human services for the use of the department in providing social services; and

(2) 10% to the general fund.”

Section 3. Effective date. [This act] is effective on passage and approval.

Approved August 20, 2002

CHAPTER NO. 18

[SB 27]

AN ACT REDUCING THE SHORTFALL IN GENERAL FUND REVENUE BY TRANSFERRING FUNDS FROM THE ACCOUNT FOR TELECOMMUNICATIONS SERVICES FOR PERSONS WITH DISABILITIES IN THE STATE SPECIAL REVENUE FUND TO THE GENERAL FUND; PROVIDING THAT THE TRANSFERRED FUNDS ARE TO BE USED BY THE MONTANA SCHOOL FOR THE DEAF AND BLIND TO BE CONSISTENT WITH THE PURPOSES OF THE EXISTING PROGRAM; AMENDING SECTIONS 53-19-306 AND 53-19-310, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

Be it enacted by the Legislature of the State of Montana:

Section 1. Section 53-19-306, MCA, is amended to read:

“53-19-306. Program established — purpose. (1) The committee shall establish and administer a program to provide specialized telecommunications equipment and services to persons with disabilities and to assist appropriate facilities in obtaining hearing screening equipment that determines if infants have a hearing impairment. *The legislature may allocate*

funds to the Montana school for the deaf and blind to be used for the purposes established in subsection (2).

(2) The purpose of the program is to:

(a) furnish specialized telecommunications equipment to meet the needs of persons with disabilities;

(b) provide a telecommunications relay service system to connect persons with disabilities with all phases of public telecommunications service, including telecommunications service to emergency services and public safety agencies as defined in 10-4-101; and

(c) determine if infants are hearing-impaired as early as possible in order to reduce long-term costs in providing assistance."

Section 2. Section 53-19-310, MCA, is amended to read:

"53-19-310. Fund for telecommunications services for persons with disabilities.

(1) There is an account for telecommunications services for persons with disabilities in the state special revenue fund in the state treasury. The account consists of:

(a) all monetary contributions, gifts, and grants received by the committee as provided in 53-19-309;

(b) all charges billed and collected pursuant to 53-19-311; and

(c) all fees received pursuant to 53-19-307.

(2) ~~The~~ *Unless allocated to the Montana school for the deaf and blind, the* money in the account is allocated to the committee for purposes of implementing this part.

(3) All expenditures of the committee in administering this part must be paid from money deposited in the account."

Section 3. Fund transfer. There is transferred \$56,995 from the account for telecommunications services for persons with disabilities in the state special revenue fund to the general fund to be used by the Montana school for the deaf and blind to be consistent with the purposes provided for in 53-19-310.

Section 4. Effective date. [This act] is effective on passage and approval.

Approved August 20, 2002

CHAPTER NO. 19

[SB 30]

AN ACT REDUCING THE SHORTFALL IN GENERAL FUND REVENUE BY REQUIRING THE SEMIANNUAL PAYMENT OF METALLIFEROUS MINES LICENSE TAXES BASED UPON CURRENT YEAR PRODUCTION; AMENDING SECTIONS 15-37-102, 15-37-103, 15-37-104, 15-37-105, 15-37-106, 15-37-108, AND 15-37-117, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE.

Be it enacted by the Legislature of the State of Montana:

Section 1. Section 15-37-102, MCA, is amended to read:

"15-37-102. Gross value of metal mine yield — computation — definitions. *As used in this part, the following definitions apply:*

(1) ~~The "annual reporting date", as used in this part, means the last day of the calendar year.~~
~~The "annual gross "Gross value of product", as used in this part, means the receipts received, as defined in 15-23-801, from all merchantable metals or concentrate containing metals or precious and semiprecious gems and stones extracted or produced each calendar year each reporting period from any mine or mining property in the state or recovered from the smelting,~~

milling, reduction, or treatment in any manner of ores extracted from the mine or mining property or from tailings resulting from the smelting, reduction, or treatment of the ores; and

- (2) "reporting period" means:
- (a) for periods beginning prior to January 1, 2003, the calendar year; and

(b) for periods beginning on or after January 1, 2003, the 6-month period ending June 30 or December 31, as applicable."

Section 2. Section 15-37-103, MCA, is amended to read:

"15-37-103. Rate of tax. (1) The ~~annual~~ license tax to be paid by a person engaged in or carrying on the business of working or operating any mine or mining property in this state from which gold, silver, copper, lead, or any other metal or metals or precious or semiprecious gems or stones are produced ~~shall be~~ is an amount computed on the gross value of product ~~which may have been~~ derived by the person from mining business, work, or operation within this state during the ~~calendar year immediately~~ preceding reporting period.

(2) Concentrate shipped to a smelter, mill, or reduction work is taxed at the following rates:

Gross Value of Product	Rate of Tax (percentage of gross value)
first \$250,000	0%
more than \$250,000	1.81% of the increment

(3) Gold, silver, or any platinum-group metal that is dore, bullion, or matte and that is shipped to a refinery is taxed at the following rates:

Gross Value of Product	Rate of Tax (percentage of gross value)
first \$250,000	0%
more than \$250,000	1.6% of the increment"

Section 3. Section 15-37-104, MCA, is amended to read:

"15-37-104. Mine operator's statement of gross value — reports and sampling. (1) Every person engaged in or carrying on the business of working or operating any mine or mining property in this state from which gold, silver, copper, lead, or any other metal or metals; or precious or semiprecious gems or stones are produced ~~must shall~~, not later than ~~March 31~~ following the end of each calendar year the date for payment of the tax under 15-37-105, when engaged in or carrying on any mining business, work, or operation, make out a statement of the gross value of product from all mines and mining properties worked or operated by the person during the ~~calendar year immediately~~ preceding reporting period. If good cause is shown, the department may grant a reasonable extension of the time for filing statements. The statement ~~shall must~~ be in the form prescribed by the department of revenue and ~~shall must~~ show the following:

- (a) the name, address, and telephone number of the owner, lessee, or operator of the mine or mining property;
- (b) the mine's location by county and legal description;
- (c) the number of tons of ore, concentrate, or other mineral products or deposits extracted from the mine or mining property during the period covered by the statement;
- (d) the name and location of the smelter, mill, or reduction works to which the ore or concentrate has been shipped or sold during the period covered by the statement and other information as the department may require;
- (e) the gross yield of the ores, concentrates, mineral products, or deposits in constituents of commercial value, such as the number of ounces of gold or silver, pounds of copper, lead, or zinc, or other commercially valuable constituents of the ores, concentrates, or mineral products or deposits, measured by standard units of measurement, during the period covered by the statement;
- (f) the annual gross value of product in dollars and cents.

(2) This section applies regardless of the location of any smelter, mill, or reduction works to which the ore or concentrate is shipped.

(3) Any sampling, testing, or assaying made necessary to comply with this section must be completed within this state and prior to any mixture of the ore or concentrate to be assayed with ore or concentrate from any other mine or mining property."

Section 4. Section 15-37-105, MCA, is amended to read:

"15-37-105. Computation and payment of tax. (1) The tax due under this part is computed according to 15-37-103. ~~and For the reporting period defined in 15-37-102(2)(a), the tax is due and payable on or before March 31 of each year. For the reporting periods defined in 15-37-102(2)(b), the tax is due at the end of the reporting period, and for the reporting period ending June 30, the tax is payable by August 15, and for the reporting period ending December 31, the tax is payable by March 31. for~~ The tax is imposed on the products produced in the ~~preceding calendar year reporting period.~~

(2) The tax due under this part becomes delinquent as of:

(a) ~~midnight on March 31 of the year immediately following the production year for the reporting period defined in 15-37-102(2)(a) or for each reporting period ending December 31 under 15-37-102(2)(b); and~~

(b) ~~midnight on August 15 for each reporting period ending June 30 under 15-37-102(2)(b).~~

(3) If good cause is shown, the department may grant a reasonable extension of time for payment of the tax. During the period of any extension granted, the tax due bears interest as provided in 15-1-216.

~~(2)~~(4) If any person has sold or otherwise disposed of any of the mine's products at a price substantially below the true market price of the product at the time and place of sale or disposal, then the department shall compute the gross value of the portion of the mine's product sold or disposed of substantially below the market price. The gross value must be based upon the quotations of the price of the mine's product in New York City at the time the portion of the product was sold or otherwise disposed of as evidenced by some established authority or market report, such as the Engineering and Mining Journal of New York, or some other standard publication, giving the market reports for the ~~year reporting period~~ covered by the statement. If there is no quotation covering any particular product, then the department shall fix the value of the gross product or portion of the gross product that was sold or otherwise disposed of at a price substantially below the true market price at the time and place of sale or disposal in a manner as may seem to be equitable."

Section 5. Section 15-37-106, MCA, is amended to read:

"15-37-106. Procedure in case of failure to file statements. ~~If any a person shall fail, refuse, or neglect fails, refuses, or neglects to make and file the required annual statement of gross yield for a production year reporting period on or before March 31 of the year immediately following the production year the date the tax becomes delinquent under 15-37-105, the department of revenue shall, immediately after the time has expired, ascertain and determine as nearly as may be possible from any returns or reports filed with any state or county officer or board under any law of this state and from any other information which that the department may be able to obtain the total gross value of product of the person from the business during the calendar year immediately preceding the year in reporting period for which the license tax is to be paid. The department shall make and file a statement showing the amount of the gross value of product and shall ascertain, determine, compute, and assess the amount of the license taxes due from and to be paid by the person. and The department shall immediately, as soon as possible, give notice to the person in the same manner as though the statement had been filed within time. The department shall proceed to collect the license tax, along with the same penalty and interest as provided for other delinquencies.~~

Section 6. Section 15-37-108, MCA, is amended to read:

"15-37-108. Delinquent taxes — penalty and interest. All license taxes assessed under the provisions of this part become delinquent if not paid on or before midnight of ~~March 31 of~~

~~the year immediately following the production year the date established in 15-37-105(2).~~ The department shall add to the amount of delinquent metalliferous mines tax penalty and interest as provided in 15-1-216. The department may waive a late payment penalty as provided in 15-1-206."

Section 7. Section 15-37-117, MCA, is amended to read:

"15-37-117. Disposition of metalliferous mines license taxes. (1) Metalliferous mines license taxes collected under the provisions of this part must, in accordance with the provisions of 15-1-501, be allocated as follows:

- (a) to the credit of the general fund of the state, 58% of total collections each year;
 - (b) to the state special revenue fund to the credit of a hard-rock mining impact trust account, 2.5% of total collections each year;
 - (c) to the hard-rock mining reclamation debt service fund created in 82-4-312, 8.5% of total collections each year;
 - (d) to the reclamation and development grants program state special revenue account, 7% of total collections each year; and
 - (e) ~~on or before June 1~~ *within 60 days of the date the tax is payable pursuant to 15-37-105*, to the county or counties identified as experiencing fiscal and economic impacts, resulting in increased employment or local government costs, under an impact plan for a large-scale mineral development prepared and approved pursuant to 90-6-307, in direct proportion to the fiscal and economic impacts determined in the plan or, if an impact plan has not been prepared, to the county in which the mine is located, 24% of total collections each year, to be allocated by the county commissioners as follows:
 - (i) not less than 37.5% to the county hard-rock mine trust reserve account established in 7-6-2225; and
 - (ii) all money not allocated to the account pursuant to subsection (1)(e)(i) to be further allocated as follows:
 - (A) 33 1/3% is allocated to the county for planning or economic development activities;
 - (B) 33 1/3% is allocated to the elementary school districts within the county that have been affected by the development or operation of the metal mine; and
 - (C) 33 1/3% is allocated to the high school districts within the county that have been affected by the development or operation of the metal mine.
- (2) When an impact plan for a large-scale mineral development approved pursuant to 90-6-307 identifies a jurisdictional revenue disparity, the county shall distribute the proceeds allocated under subsection (1)(e) in a manner similar to that provided for property tax sharing under Title 90, chapter 6, part 4.

(3) The department shall return to the county in which metals are produced the tax collections allocated under subsection (1)(e). The allocation to the county described by subsection (1)(e) is a statutory appropriation pursuant to 17-7-502."

Section 8. Effective date. [This act] is effective on passage and approval.

Section 9. Applicability. [This act] applies to metalliferous mines license taxes for periods beginning on or after January 1, 2003.

Approved August 20, 2002

CHAPTER NO. 20

[HB 9]

AN ACT REDUCING THE GENERAL FUND SHORTFALL IN REVENUE BY REDUCING THE TRANSFER OF \$500,000 FROM THE RESOURCE INDEMNITY TRUST FUND FOR WEED MANAGEMENT TO \$300,000; TRANSFERRING \$1 MILLION FROM THE

RESOURCE INDEMNITY TRUST FUND TO THE RECLAMATION AND DEVELOPMENT GRANTS ACCOUNT; TRANSFERRING \$1,000 FROM THE ORPHAN SHARE FUND TO THE GENERAL FUND AND TRANSFERRING AN ADDITIONAL \$999,000 FROM THE ORPHAN SHARE FUND TO THE GENERAL FUND IF FUNDS ARE AVAILABLE; REVISING THE ALLOCATION OF RESOURCE INDEMNITY TRUST FUND INTEREST; AMENDING SECTIONS 15-38-202, 75-10-743, AND 80-7-823, MCA, SECTION 2, CHAPTER 108, LAWS OF 1997, SECTIONS 1 AND 2, CHAPTER 232, LAWS OF 2001, AND SECTION 5, CHAPTER 573, LAWS OF 2001; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

Be it enacted by the Legislature of the State of Montana:

Section 1. Transfer to reclamation and development grants account. There is transferred to the reclamation and development grants account, as provided in 90-2-1104, in the fiscal year ending June 30, 2003, \$1 million from the resource indemnity trust fund, as provided in 15-38-202, from the first money paid into the resource indemnity trust fund that exceeds \$100 million.

Section 2. Section 2, Chapter 108, Laws of 1997, is amended to read:
“Section 2. Approved grant projects. (1) The legislature approves the grants listed in subsection (2), to be made in the order of priority as indicated within the following list of projects and activities. If the conditions in [sections 3 and 4] are met, funds must be awarded up to the amounts approved in this section in order of priority until available funds are expended. Funds not accepted by grantees or funds not used by higher-ranked projects and activities must be provided for projects and activities lower on the priority list that would otherwise not receive funding. Descriptions of the various projects and activities and specific conditions established for each project and activity are contained within the department of natural resources and conservation reclamation and development grants program report to the 55th legislature for the 1999 biennium.

(2) The following are the grants program prioritized projects and activities:

Applicant/Project	Grant Amount
MONTANA BOARD OF OIL AND GAS CONSERVATION	
Balco Disposal Facility, Plug and Abandonment and Site Restoration	\$600,000
NATURAL RESOURCES AND CONSERVATION, DEPARTMENT OF	
Reliance Refinery Soils and Sludge Cleanup #1	300,000 115,548
NATURAL RESOURCES AND CONSERVATION, DEPARTMENT OF	
Reliance Refinery Soils and Sludge Cleanup #2	282,300
ENVIRONMENTAL QUALITY - ABANDONED, DEPARTMENT OF	
Nancy Lee Mine Complex Reclamation	286,914
ENVIRONMENTAL QUALITY - ABANDONED, DEPARTMENT OF	
Nellie Grant Mine Reclamation Project	288,040
POWELL COUNTY	
Charter Oak Mine and Mill Reclamation	300,000
MILE HIGH CONSERVATION DISTRICT	
Highland Mill Reclamation	258,070
BUTTE-SILVER BOW LOCAL GOVERNMENT*	
Upper Clark Fork Basin: Superfund Technical Assistance	91,532
MONTANA BOARD OF OIL AND GAS CONSERVATION*	
1996 “A” Orphaned Well Plug and Abandonment and Site Restoration	164,222
CARBON COUNTY	
Dry Hydrant Demonstration Project	157,579
TOOLE COUNTY*	
North Toole County Reclamation Project	40,000
MONTANA BOARD OF OIL AND GAS CONSERVATION*	
1996 “B” Orphaned Well Plug and Abandonment and Site Restoration	0

The board of oil and gas conservation is authorized to expend remaining funds from grants to the board in this subsection (2) and remaining funds from grants previously awarded to the board to pay for the proper plugging of additional abandoned oil and gas wells. This may include funding the seven priority wells identified in the 1996 "B" orphaned well plug and abandonment project. In determining which wells to plug, abandoned wells that represent the greatest threat to the environment and public health and safety should be given priority over all others.

BUTTE-SILVER BOW LOCAL GOVERNMENT

Butte Mine Subsidence Reclamation	81,250
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ROSEBUD CONSERVATION DISTRICT

Hydrologic & Geologic Feasibility — Coal Mine Pits as Water Impounds	150,000
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DEER LODGE VALLEY CONSERVATION DISTRICT

Development of Acid- and Heavy Metal-Tolerant Cultivars	100,000
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(3) To the entities listed in this section, this appropriation constitutes a valid obligation of these funds for purposes of encumbering the funds within the 1999 biennium pursuant to 17-7-302.

(4) The funding provided to the grant projects in this section and identified by an asterisk (*) following the applicant's name is eligible for and may be designated for use as a nonfederal match for the federal funding acquired for the nonpoint source pollution control program administered by the department of environmental quality."

Section 3. Section 1, Chapter 232, Laws of 2001, is amended to read:

"Section 1. Appropriations for reclamation and development grants. (1) The amount of ~~\$4,100,000~~ \$3,800,000 is appropriated to the department of natural resources and conservation from the reclamation and development grants special revenue account from funds allocated for appropriation from the interest income of the resource indemnity trust fund set forth in Title 15, chapter 38.

(2) The funds appropriated in this section must be awarded by the department to the entities listed in [section 2] for the prescribed purposes and in the prescribed grant amounts, subject to the conditions provided in [sections 2 through 4]."

Section 4. Section 2, Chapter 232, Laws of 2001, is amended to read:

"Section 2. Approved grant projects. (1) The legislature approves the grants listed in subsection (2), to be made in the order of priority as indicated within the following list of projects and activities. If the conditions in [sections 3 and 4] are met, funds must be awarded up to the amounts approved in this section in order of priority until available funds are expended. Funds not accepted by grantees or funds not used by higher-ranked projects and activities must be provided for projects and activities lower on the priority list that would otherwise not receive funding. Descriptions of the various projects and activities and specific conditions established for each project and activity are contained within the department of natural resources and conservation's reclamation and development grants program report to the 57th legislature for the 2003 biennium.

(2) The following are the grants program prioritized projects and activities:

Applicant/Project Grant Amount

BOARD OF OIL AND GAS CONSERVATION*	\$300,000
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2001 Eastern District Orphaned Well Plug & Abandonment & Site Restoration	
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BOARD OF OIL AND GAS CONSERVATION*	300,000
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2001 Northern District Orphaned Well Plug & Abandonment & Site Restoration	
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DEPARTMENT OF ENVIRONMENTAL QUALITY	300,000
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Development of Trust Fund to Ensure Long-Term Water Treatment at Zortman-Landusky	
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POWELL COUNTY*	300,000
Ontario Wet Tailings Reclamation	
CITY OF LEWISTOWN*	297,740
Reclamation of Brewery Flats on Big Spring Creek	
DEPARTMENT OF ENVIRONMENTAL QUALITY*	291,191
CMC Pony Mill Site Reclamation Project (completion phase)	
BROADWATER CONSERVATION DISTRICT*	145,380
Big Belt Mine Reclamation Projects	
CITY OF DEER LODGE*	140,000
Former Chicago Milwaukee Railroad Passenger Fueling Area, Deer Lodge, Montana	
BUTTE-SILVER BOW COUNTY	49,272
Upper Clark Fork Basin; Superfund Technical Assistance	
BOARD OF OIL AND GAS CONSERVATION	250,000
2001 Southern District Orphaned Well Plug & Abandonment & Site Restoration	
CUSTER COUNTY CONSERVATION DISTRICT*	299,977
Yellowstone River Resource Conservation Project	
CASCADE COUNTY/WEED AND MOSQUITO MANAGEMENT	218,466
Fort Shaw Weed Shop Soil Contamination Remediation	
DEPARTMENT OF ENVIRONMENTAL QUALITY*	300,000
Organic Soil Amendments	
DEPARTMENT OF ENVIRONMENTAL QUALITY*	300,000
Zortman Mine - Ruby Gulch Tailings Removal	
The state grant is subject to receipt of federal funds to complete tailings removal and stream channel restoration above, within, and below the Zortman townsite.	
DEPARTMENT OF ENVIRONMENTAL QUALITY	250,000
Coal Bed Methane Gas EIS	
GLACIER COUNTY*	150,000
2000 Glacier County Plugging & Abandonment	
PONDERA COUNTY*	100,000
Pondera County Oil & Gas Well Plug & Abandonment Project	
LIBERTY COUNTY*	50,000
Abandonment Aid Program for Small Independent Operators in Liberty, Hill, Blaine, & Chouteau Counties	
DEPARTMENT OF ENVIRONMENTAL QUALITY*	300,000
 Gregory Mine Reclamation Project	
SHERIDAN COUNTY CONSERVATION DISTRICT	299,950
Protecting Natural Resources by Reclaiming Oilfield Brine Contaminated Soils	
DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION	272,500
DNRC Environmental Hazard Sites on State Land	
FLATHEAD COUNTY	167,821
Assessment of Aggregate Resources for Long-Term Planning in Flathead & Missoula Counties	

(3) To the entities listed in this section, this appropriation constitutes a valid obligation of these funds for purposes of encumbering the funds within the 2003 biennium pursuant to 17-7-302.

(4) The funding provided to the grant projects in this section and identified by an asterisk (*) following the applicant's name is eligible for and may be designated for use as a nonfederal match for the federal funding acquired for the nonpoint source pollution control program administered by the department of environmental quality."

Section 5. Section 5, Chapter 573, Laws of 2001, is amended to read:

“Section 5. Capital improvements. (1) The following money is appropriated to the department of fish, wildlife, and parks in the indicated amounts for the purpose of making capital improvements to statewide facilities:

Agency/Project	LRBP	Other Funding Sources
Fishing Access Site Maintenance, Statewide	\$ 275,000	State Special Revenue
Fishing Access Site Protection, Statewide	600,000	State Special Revenue
	100,000	Federal Special Revenue
Hatchery Maintenance, Statewide	575,000	State Special Revenue
Future Fisheries	2,010,000	State Special Revenue
	1,860,000	
Valier Boat Ramp	150,000	Federal Special Revenue
Wildlife Habitat Maintenance	750,000	State Special Revenue
Waterfowl Stamp Program	342,950	State Special Revenue

If Senate Bill No. 238 is not passed and approved, the amount listed in state special revenue for this item is reduced by \$112,950.

Upland Game Bird Program	1,200,000	State Special Revenue
Cultural and Historic Parks	1,060,000	State Special Revenue
	150,000	Federal Special Revenue
Motorboat Recreation	1,039,650	State Special Revenue

If House Bill No. 132 is not passed and approved, the amount listed in state special revenue for this item is reduced by \$285,000.

	505,000	Federal Special Revenue
Federal WB	745,000	Federal Special Revenue
State Park Roads	400,000	State Special Revenue
Capitol Complex Grounds Improvements	150,000	Capitol Land Grant Revenue
Federal Trails Grants	1,900,000	Federal Special Revenue
OHV Trails Grants	425,000	State Special Revenue
LWCF Grants	2,250,000	Federal Special Revenue

(2) The following money is appropriated to the department of military affairs in the indicated amount for the purpose of making capital improvements to statewide facilities:

Agency/Project	LRBP	Other Funding Sources
Federal Spending Authority	\$1,500,000	Federal Special Revenue

(3) The following money is appropriated to the university of Montana in the indicated amounts for the purpose of making capital improvements to campus facilities:

Agency/Project	LRBP	Other Funding Sources
Grant Projects, All Campuses	\$1,500,000	Federal, Donations, Grants
ADA Code/Deferred Maintenance, All Campuses	1,000,000	Federal, Donations, Grants

(4) The following money is appropriated to the department of transportation in the indicated amount for the purpose of making capital improvements to statewide facilities:

Agency/Project	LRBP	Other Funding Sources
Maintenance, Repair, and Small Projects, Statewide	\$2,300,000	Highways State Special Revenue”

Section 6. Section 15-38-202, MCA, is amended to read:

“15-38-202. (Temporary) Investment of resource indemnity trust fund — expenditure — minimum balance. (1) All money paid into the resource indemnity trust fund, including money payable into the fund under the provisions of 15-36-324 and 15-37-117, must be invested at the discretion of the board of investments. Only the net earnings, excluding unrealized gains and losses, may be appropriated and expended until the fund balance,

excluding unrealized gains and losses, reaches \$100 million. Thereafter, all net earnings, excluding unrealized gains and losses, and all receipts may be appropriated by the legislature and expended, provided that the fund balance, excluding unrealized gains and losses, may never be less than \$100 million.

(2) (a) At the beginning of each fiscal year, there is allocated from the interest income of the resource indemnity trust fund:

(i) \$240,000, which is statutorily appropriated, as provided in 17-7-502, to be deposited into the renewable resource grant and loan program state special revenue account to support the operations of the environmental science-water quality instructional programs at Montana state university-northern, to be used for support costs, for matching funds necessary to attract additional funds to further expand statewide impact, and for enhancement of the facilities related to the programs. Any amount of the appropriation in this subsection (2)(a)(i) that is not pledged to repay bonds issued prior to January 1, 1999, may be deposited in a permanent fund account, the income from which may be used for the purposes provided in this subsection.

(ii) \$2 million to be deposited into the renewable resource grant and loan program state special revenue account, created by 85-1-604, for the purpose of making grants;

(iii) *for the fiscal year beginning July 1, 2002, through the fiscal year ending June 30, 2005, \$1.2 million and for fiscal years beginning on or after July 1, 2005, \$1.5 million* to be deposited into the reclamation and development grants special revenue account, created by 90-2-1104, for the purpose of making grants;

(iv) \$300,000 to be deposited into the ground water assessment account created by 85-2-905; and

(v) *for the fiscal year beginning July 1, 2002, through the fiscal year ending June 30, 2005, \$350,000 and for fiscal years beginning on or after July 1, 2005, \$500,000* to the department of fish, wildlife, and parks for the purposes of 87-1-283. The future fisheries review panel shall approve and fund qualified mineral reclamation projects before other types of qualified projects.

(b) At the beginning of each biennium, there is allocated from the interest income of the resource indemnity trust fund:

(i) an amount not to exceed \$175,000 to the environmental contingency account pursuant to the conditions of 75-1-1101;

(ii) an amount not to exceed \$50,000 to the oil and gas production damage mitigation account pursuant to the conditions of 82-11-161; and

(iii) \$500,000 to be deposited into the water storage state special revenue account created by 85-1-631.

(c) The remainder of the interest income is allocated as follows:

(i) ~~Thirty percent~~ *For the fiscal year beginning July 1, 2002, through the fiscal year ending June 30, 2005, 25.5% and for fiscal years beginning on or after July 1, 2005, 30%* of the interest income of the resource indemnity trust fund must be allocated to the renewable resource grant and loan program state special revenue account created by 85-1-604.

(ii) ~~Twenty-six percent~~ *For the fiscal year beginning July 1, 2002, through the fiscal year ending June 30, 2005, 22% and for fiscal years beginning on or after July 1, 2005, 26%* of the interest income of the resource indemnity trust fund must be allocated to the hazardous waste/CERCLA special revenue account provided for in 75-10-621.

(iii) ~~Thirty-five percent~~ *For the fiscal year beginning July 1, 2002, through the fiscal year ending June 30, 2005, 45% and for fiscal years beginning on or after July 1, 2005, 35%* of the interest income from the resource indemnity trust fund must be allocated to the reclamation and development grants account provided for in 90-2-1104.

(iv) ~~Nine percent~~ *For the fiscal year beginning July 1, 2002, through the fiscal year ending June 30, 2005, 7.5% and for fiscal years beginning on or after July 1, 2005, 9%* of the interest income of the resource indemnity trust fund must be allocated to the environmental quality protection fund provided for in 75-10-704.

(3) Any formal budget document prepared by the legislature or the executive branch that proposes to appropriate funds other than as provided for by the allocations in subsection (2) must specify the amount of money from each allocation that is proposed to be diverted and the

proposed use of the diverted funds. A formal budget document includes a printed and publicly distributed budget proposal or recommendation, an introduced bill, or a bill developed during the legislative appropriation process or otherwise during a legislative session. (Terminates July 1, 2009—sec. 9, Ch. 529, L. 1999.)

15-38-202. (Effective July 1, 2009) Investment of resource indemnity trust fund — expenditure — minimum balance. (1) All money paid into the resource indemnity trust fund, including money payable into the fund under the provisions of 15-36-324 and 15-37-117, must be invested at the discretion of the board of investments. Only the net earnings, excluding unrealized gains and losses, may be appropriated and expended until the fund balance, excluding unrealized gains and losses, reaches \$100 million. Thereafter, all net earnings, excluding unrealized gains and losses, and all receipts may be appropriated by the legislature and expended, provided that the fund balance, excluding unrealized gains and losses, may never be less than \$100 million.

(2) (a) At the beginning of each fiscal year, there is allocated from the interest income of the resource indemnity trust fund:

(i) \$240,000, which is statutorily appropriated, as provided in 17-7-502, to be deposited into the renewable resource grant and loan program state special revenue account to support the operations of the environmental science-water quality instructional programs at Montana state university-northern, to be used for support costs, for matching funds necessary to attract additional funds to further expand statewide impact, and for enhancement of the facilities related to the programs. Any amount of the appropriation in this subsection (2)(a)(i) that is not pledged to repay bonds issued prior to January 1, 1999, may be deposited in a permanent fund account, the income from which may be used for the purposes provided in this subsection.

(ii) \$2 million to be deposited into the renewable resource grant and loan program state special revenue account, created by 85-1-604, for the purpose of making grants;

(iii) \$1.5 million to be deposited into the reclamation and development grants special revenue account, created by 90-2-1104, for the purpose of making grants; and

(iv) \$300,000 to be deposited into the ground water assessment account created by 85-2-905.

(b) At the beginning of each biennium, there is allocated from the interest income of the resource indemnity trust fund:

(i) an amount not to exceed \$175,000 to the environmental contingency account pursuant to the conditions of 75-1-1101;

(ii) an amount not to exceed \$50,000 to the oil and gas production damage mitigation account pursuant to the conditions of 82-11-161; and

(iii) \$500,000 to be deposited into the water storage state special revenue account created by 85-1-631.

(c) The remainder of the interest income is allocated as follows:

(i) Thirty percent of the interest income of the resource indemnity trust fund must be allocated to the renewable resource grant and loan program state special revenue account created by 85-1-604.

(ii) Twenty-six percent of the interest income of the resource indemnity trust fund must be allocated to the hazardous waste/CERCLA special revenue account provided for in 75-10-621.

(iii) Thirty-five percent of the interest income from the resource indemnity trust fund must be allocated to the reclamation and development grants account provided for in 90-2-1104.

(iv) Nine percent of the interest income of the resource indemnity trust fund must be allocated to the environmental quality protection fund provided for in 75-10-704.

(3) Any formal budget document prepared by the legislature or the executive branch that proposes to appropriate funds other than as provided for by the allocations in subsection (2) must specify the amount of money from each allocation that is proposed to be diverted and the proposed use of the diverted funds. A formal budget document includes a printed and publicly distributed budget proposal or recommendation, an introduced bill, or a bill developed during the legislative appropriation process or otherwise during a legislative session. (Terminates June 30, 2014—sec. 5, Ch. 497, L. 1999.)

15-38-202. (Effective July 1, 2014) Investment of resource indemnity trust fund — expenditure — minimum balance. (1) All money paid into the resource indemnity trust

fund, including money payable into the fund under the provisions of 15-36-324 and 15-37-117, must be invested at the discretion of the board of investments. Only the net earnings, excluding unrealized gains and losses, may be appropriated and expended until the fund balance, excluding unrealized gains and losses, reaches \$100 million. Thereafter, all net earnings, excluding unrealized gains and losses, and all receipts may be appropriated by the legislature and expended, provided that the fund balance, excluding unrealized gains and losses, may never be less than \$100 million.

(2) (a) At the beginning of each fiscal year, there is allocated from the interest income of the resource indemnity trust fund:

(i) \$2 million to be deposited into the renewable resource grant and loan program state special revenue account, created by 85-1-604, for the purpose of making grants;

(ii) \$1.5 million to be deposited into the reclamation and development grants special revenue account, created by 90-2-1104, for the purpose of making grants; and

(iii) \$300,000 to be deposited into the ground water assessment account created by 85-2-905.

(b) At the beginning of each biennium, there is allocated from the interest income of the resource indemnity trust fund:

(i) an amount not to exceed \$175,000 to the environmental contingency account pursuant to the conditions of 75-1-1101;

(ii) an amount not to exceed \$50,000 to the oil and gas production damage mitigation account pursuant to the conditions of 82-11-161; and

(iii) \$500,000 to be deposited into the water storage state special revenue account created by 85-1-631.

(c) The remainder of the interest income is allocated as follows:

(i) Thirty percent of the interest income of the resource indemnity trust fund must be allocated to the renewable resource grant and loan program state special revenue account created by 85-1-604.

(ii) Twenty-six percent of the interest income of the resource indemnity trust fund must be allocated to the hazardous waste/CERCLA special revenue account provided for in 75-10-621.

(iii) Thirty-five percent of the interest income from the resource indemnity trust fund must be allocated to the reclamation and development grants account provided for in 90-2-1104.

(iv) Nine percent of the interest income of the resource indemnity trust fund must be allocated to the environmental quality protection fund provided for in 75-10-704.

(3) Any formal budget document prepared by the legislature or the executive branch that proposes to appropriate funds other than as provided for by the allocations in subsection (2) must specify the amount of money from each allocation that is proposed to be diverted and the proposed use of the diverted funds. A formal budget document includes a printed and publicly distributed budget proposal or recommendation, an introduced bill, or a bill developed during the legislative appropriation process or otherwise during a legislative session."

Section 7. Section 75-10-743, MCA, is amended to read:

"75-10-743. (Temporary) Orphan share state special revenue account — reimbursement of claims — payment of department costs. (1) There is an orphan share account in the state special revenue fund established in 17-2-102 that is to be administered by the department. Money in the account is available to the department by appropriation and must be used to reimburse remedial action costs claimed pursuant to 75-10-742 through 75-10-752 and to pay costs incurred by the department in defending the orphan share.

(2) There must be deposited in the orphan share account:

(a) money allocated from the metalliferous mines license tax pursuant to 15-37-117;

(b) all penalties assessed pursuant to 75-10-750(12);

(c) funds received from the interest income of the resource indemnity trust fund pursuant to 15-38-202;

(d) funds allocated from the resource indemnity and ground water assessment tax proceeds provided for in 15-38-106;

(e) unencumbered funds remaining in the abandoned mines state special revenue account;

(f) interest income on the account;

(g) funds received from settlements pursuant to 75-10-719(7); and

(h) funds received from reimbursement of the department's orphan share defense costs pursuant to subsection (6).

(3) If the orphan share fund contains sufficient money, valid claims must be reimbursed subsequently in the order in which they were received by the department. If the orphan share fund does not contain sufficient money to reimburse claims for completed remedial actions, a reimbursement may not be made and the orphan share fund, the department, and the state are not liable for making any reimbursement for the costs. The department and the state are not liable for any penalties if the orphan share fund does not contain sufficient money to reimburse claims, and interest may not accrue on outstanding claims.

(4) Except as provided in subsection (8), claims may not be submitted and remedial action costs may not be reimbursed from the orphan share fund until all remedial actions, except for operation and maintenance, are completed at a facility.

(5) Reimbursement from the orphan share fund must be limited to actual documented remedial action costs incurred after the date of petition provided in 75-10-745. Reimbursement may not be made for attorney fees, legal costs, or operation and maintenance costs.

(6) (a) The department's costs incurred in defending the orphan share must be paid by the persons participating in the allocation under 75-10-742 through 75-10-752 in proportion to their allocated shares. The orphan share fund is responsible for a portion of the department's costs incurred in defending the orphan share in proportion to the orphan share's allocated share, as follows:

(i) If sufficient funds are available in the orphan share fund, the orphan share fund must pay the department's costs incurred in defending the orphan share in proportion to the share of liability allocated to the orphan share.

(ii) If sufficient funds are not available in the orphan share fund, persons participating in the allocation under 75-10-742 through 75-10-752 shall pay all the orphan share's allocated share of the department's costs incurred in defending the orphan share in proportion to each person's allocated share of liability.

(b) A person who pays the orphan share's proportional share of costs has a claim against the orphan share fund and must be reimbursed as provided in subsection (3).

(7) If any money remains in the orphan share fund after June 30, 2005, and after outstanding claims are paid, the money must be deposited in the general fund.

(8) If the lead liable person under 75-10-746 presents evidence to the department that the person cannot complete the remedial actions without partial reimbursement and that a delay in reimbursement will cause undue financial hardship on the person, the department may allow the submission of claims and may reimburse the claims prior to the completion of all remedial actions. A person is not eligible for early reimbursement unless the person is in substantial compliance with all department-approved remedial action plans.

(9) A person participating in the allocation process who received funds under the mixed funding pilot program provided for in sections 14 through 20, Chapter 584, Laws of 1995, may not claim or receive reimbursement from the orphan share fund for the amount of funds received under the mixed funding pilot program that are later attributed to the orphan share under the allocation process.

75-10-743. (Temporary — effective July 1, 2002) Orphan share state special revenue account — reimbursement of claims — payment of department costs. (1) There is an orphan share account in the state special revenue fund established in 17-2-102 that is to be administered by the department. Money in the account is available to the department by appropriation and must be used to reimburse remedial action costs claimed pursuant to 75-10-742 through 75-10-752 and to pay costs incurred by the department in defending the orphan share.

(2) There must be deposited in the orphan share account:

(a) all penalties assessed pursuant to 75-10-750(12);

(b) funds received from the interest income of the resource indemnity trust fund pursuant to 15-38-202;

(c) funds allocated from the resource indemnity and ground water assessment tax proceeds provided for in 15-38-106;

(d) unencumbered funds remaining in the abandoned mines state special revenue account;

(e) interest income on the account;

(f) funds received from settlements pursuant to 75-10-719(7); and

(g) funds received from reimbursement of the department's orphan share defense costs pursuant to subsection (6).

(3) If the orphan share fund contains sufficient money, valid claims must be reimbursed subsequently in the order in which they were received by the department. If the orphan share fund does not contain sufficient money to reimburse claims for completed remedial actions, a reimbursement may not be made and the orphan share fund, the department, and the state are not liable for making any reimbursement for the costs. The department and the state are not liable for any penalties if the orphan share fund does not contain sufficient money to reimburse claims, and interest may not accrue on outstanding claims.

(4) Except as provided in subsection (8), claims may not be submitted and remedial action costs may not be reimbursed from the orphan share fund until all remedial actions, except for operation and maintenance, are completed at a facility.

(5) Reimbursement from the orphan share fund must be limited to actual documented remedial action costs incurred after the date of petition provided in 75-10-745. Reimbursement may not be made for attorney fees, legal costs, or operation and maintenance costs.

(6) (a) The department's costs incurred in defending the orphan share must be paid by the persons participating in the allocation under 75-10-742 through 75-10-752 in proportion to their allocated shares. The orphan share fund is responsible for a portion of the department's costs incurred in defending the orphan share in proportion to the orphan share's allocated share, as follows:

(i) If sufficient funds are available in the orphan share fund, the orphan share fund must pay the department's costs incurred in defending the orphan share in proportion to the share of liability allocated to the orphan share.

(ii) If sufficient funds are not available in the orphan share fund, persons participating in the allocation under 75-10-742 through 75-10-752 shall pay all the orphan share's allocated share of the department's costs incurred in defending the orphan share in proportion to each person's allocated share of liability.

(b) A person who pays the orphan share's proportional share of costs has a claim against the orphan share fund and must be reimbursed as provided in subsection (3).

(7) (a) *On [the effective date of this act], \$1,000 is transferred from the orphan share fund to the general fund. If sufficient money remains in the orphan share fund on June 29, 2003, \$999,000 must be transferred to the general fund.*

(b) If any money remains in the orphan share fund after June 30, 2005, and after outstanding claims are paid, the money must be deposited in the general fund.

(8) If the lead liable person under 75-10-746 presents evidence to the department that the person cannot complete the remedial actions without partial reimbursement and that a delay in reimbursement will cause undue financial hardship on the person, the department may allow the submission of claims and may reimburse the claims prior to the completion of all remedial actions. A person is not eligible for early reimbursement unless the person is in substantial compliance with all department-approved remedial action plans.

(9) A person participating in the allocation process who received funds under the mixed funding pilot program provided for in sections 14 through 20, Chapter 584, Laws of 1995, may not claim or receive reimbursement from the orphan share fund for the amount of funds received under the mixed funding pilot program that are later attributed to the orphan share under the allocation process. (Terminates June 30, 2005—sec. 30, Ch. 415, L. 1997.)"

Section 8. Section 80-7-823, MCA, is amended to read:

"80-7-823. Transfer of funds. (1) There is transferred \$100,000 annually from the highway nonrestricted account, provided for in 15-70-125, to the noxious weed state special revenue account, provided for in 80-7-816, for the purposes provided in 80-7-705.

~~(2) There is a one-time transfer in fiscal year 2003 of up to \$500,000 from the resource indemnity trust fund, as provided in 15-38-202, from the first money paid into the resource indemnity trust fund that exceeds \$100 million for the purposes provided in 80-7-705.~~

(2) *There is a one-time transfer in fiscal year 2003 of up to \$300,000 from the resource indemnity trust fund, as provided in 15-38-202, from the first money paid into the resource indemnity trust fund that exceeds \$100 million for the purposes provided in 80-7-705."*

Section 9. Effective date. [This act] is effective on passage and approval.

Approved August 21, 2002

CHAPTER NO. 21

[SB 1]

AN ACT REDUCING THE GENERAL FUND SHORTFALL IN REVENUE BY REVISING THE LAWS RELATING TO THE DISTRIBUTION OF MONEY FROM ALCOHOL TAXES FOR PURPOSES OF FUNDING TREATMENT FOR ALCOHOLISM, CHEMICAL DEPENDENCY, AND RELATED ILLNESSES; REVISING RESTRICTIONS ON ADMINISTRATION OF PROCEEDS DERIVED FROM ALCOHOL TAXES; AMENDING SECTION 53-24-108, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A TERMINATION DATE.

Be it enacted by the Legislature of the State of Montana:

Section 1. Section 53-24-108, MCA, is amended to read:

"53-24-108. Use of funds generated by taxation on alcoholic beverages. (1) Revenue generated by 16-1-404, 16-1-406, and 16-1-411 and allocated to the department to be used *as matching funds for the Montana medicaid program and to be used* in state-approved private or public programs whose function is the treatment, rehabilitation, and prevention of alcoholism, which for the purposes of this section includes chemical dependency, may be distributed in any of the following ways:

(a) as payment of fees for alcoholism services provided by state-approved private or public alcoholism programs and licensed hospitals for detoxification services;

(b) as grants to state-approved private or public alcoholism programs; or

(c) as matching funds for the Montana medicaid program administered by the department that are used for *the treatment of alcoholism and, chemical dependency programs, and related illnesses.*

(2) ~~(a) After providing funding pursuant to 53-24-206(3)(b) of at least \$1 million a year, services~~ Services provided by funding under this chapter may include treatment and rehabilitation for persons with co-occurring mental illness and chemical dependency, ~~but the total amount expended may not exceed \$1.3 million in each biennium.~~

(b) *The department shall distribute at least \$1 million to state-approved chemical dependency programs during fiscal year 2003. During fiscal year 2003, the department may use other sources of funding to meet its obligations under this subsection (2)(b). At least \$730,000 of funds distributed under this subsection (2)(b) must be derived from revenue generated by 16-1-404, 16-1-406, and 16-1-411 and must be distributed to counties, as provided in 53-24-206(3)(b), for the private or public programs approved pursuant to 53-24-208. The remaining balance may consist of a combination of funds generated by taxation on alcoholic beverages and other funds available to the department.*

(3) A person operating a state-approved alcoholism program may not be required to provide matching funds as a condition of receiving a grant under subsection (1).

(4) In addition to funding received under this section, a person operating a state-approved alcoholism program may accept gifts, bequests, or the donation of services or money for the treatment, rehabilitation, or prevention of alcoholism.

(5) A person receiving funding under this section to support operation of a state-approved alcoholism program may not refuse alcoholism treatment, rehabilitation, or prevention services to a person solely because of that person's inability to pay for those services.

(6) A grant made under this section is subject to the following conditions:

(a) The grant application must contain an estimate of all program income, including income from earned fees, gifts, bequests, donations, and grants from other than state sources during the period for which grant support is sought.

(b) Whenever, during the period of grant support, program income exceeds the amount estimated in the grant application, the amount of the excess must be reported to the grantor.

(c) The excess must be used by the grantee under the terms of the grant in accordance with one or a combination of the following options:

(i) use for any purpose that furthers the objectives of the legislation under which the grant was made; or

(ii) to allow program growth through the expansion of services or for capital expenditures necessary to improve facilities where services are provided.

(7) Revenue generated by 16-1-404, 16-1-406, and 16-1-411 for the treatment, rehabilitation, and prevention of alcoholism that has not been encumbered for those purposes by the counties of Montana or the department must be returned to the state special revenue fund for the treatment, rehabilitation, and prevention of alcoholism within 30 days after the close of each fiscal year and must be distributed by the department the following year as provided in 53-24-206(3)(b). ~~(Subsection (2) terminates July 1, 2003—sec. 6, Ch. 470, L. 2001.)~~
(Subsection (2) terminates July 1, 2003—sec. 6, Ch. 470, L. 2001.)”

Section 2. Effective date. [This act] is effective on passage and approval.

Section 3. Termination. [This act] terminates July 1, 2003.

Approved August 21, 2002

CHAPTER NO. 22

[SB 17]

AN ACT REVISING SEX OFFENDER LAWS TO CONFORM TO FEDERAL LAW; REVISING THE DEFINITIONS OF “SEXUAL OFFENSE” AND “VIOLENT OFFENSE”; REVISING THE CONDITIONS FOR REGISTRATION BASED UPON DURATION OF TIME IN A COUNTY; PROVIDING THAT AN OFFENDER CONVICTED OF SEXUAL INTERCOURSE WITHOUT CONSENT AGAINST A VICTIM UNDER 12 YEARS OF AGE IS SUBJECT TO MANDATORY LIFETIME REGISTRATION; REMOVING SEXUALLY VIOLENT PREDATORS FROM THE CATEGORY OF OFFENDERS WHO MAY RECEIVE A RISK LEVEL CLASSIFICATION REDUCTION; AMENDING SECTIONS 46-12-204, 46-18-202, 46-18-256, 46-23-502, 46-23-504, 46-23-506, AND 46-23-509, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE.

Be it enacted by the Legislature of the State of Montana:

Section 1. Section 46-12-204, MCA, is amended to read:

“46-12-204. Plea alternatives. (1) A defendant may plead guilty, not guilty, or, with the consent of the court and the prosecutor, nolo contendere. If a defendant refuses to plead or if a defendant corporation fails to appear, the court shall enter a plea of not guilty.

(2) The court may not accept a plea of guilty or nolo contendere without first determining that the plea is voluntary and not the result of force or threats or of promises apart from the plea agreement. The court shall also inquire as to whether the defendant's willingness to plead guilty or nolo contendere results from prior discussions between the prosecutor and the defendant or the defendant's attorney.

(3) With the approval of the court and the consent of the prosecutor, a defendant may enter a plea of guilty or nolo contendere, reserving the right, on appeal from the judgment, to review the adverse determination of any specified pretrial motion. If the defendant prevails on appeal, the defendant must be allowed to withdraw the plea.

(4) The court may not accept a plea of nolo contendere in a case involving a sexual offense, as defined in 46-23-502, *except an offense under 45-5-301 through 45-5-303.*"

Section 2. Section 46-18-202, MCA, is amended to read:

"46-18-202. Additional restrictions on sentence. (1) The sentencing judge may also impose any of the following restrictions or conditions on the sentence provided for in 46-18-201 that the judge considers necessary to obtain the objectives of rehabilitation and the protection of the victim and society:

- (a) prohibition of the offender's holding public office;
- (b) prohibition of the offender's owning or carrying a dangerous weapon;
- (c) restrictions on the offender's freedom of association;
- (d) restrictions on the offender's freedom of movement;
- (e) a requirement that the defendant provide a biological sample for DNA testing for purposes of Title 44, chapter 6, part 1, if an agreement to do so is part of the plea bargain;
- (f) any other limitation reasonably related to the objectives of rehabilitation and the protection of the victim and society.

(2) Whenever the sentencing judge imposes a sentence of imprisonment in a state prison for a term exceeding 1 year, the sentencing judge may also impose the restriction that the offender is ineligible for parole and participation in the supervised release program while serving that term. If the restriction is to be imposed, the sentencing judge shall state the reasons for it in writing. If the sentencing judge finds that the restriction is necessary for the protection of society, the judge shall impose the restriction as part of the sentence and the judgment must contain a statement of the reasons for the restriction.

(3) An offender convicted of a sexual offense, as defined in 46-23-502, *except an offense under 45-5-301 through 45-5-303*, and sentenced to imprisonment in a state prison shall enroll in and complete the educational phase of the prison's sexual offender program."

Section 3. Section 46-18-256, MCA, is amended to read:

"46-18-256. Sexually transmitted disease testing — test procedure. (1) Following entry of judgment, a person convicted of a sexual offense, as defined in 46-23-502, *except an offense under 45-5-301 through 45-5-303*, must, at the request of the victim of the sexual offense or the parent or guardian of the victim, if the victim is a minor, be administered standard testing according to currently accepted protocol, using guidelines established by the centers for disease control, U.S. department of health and human services, to detect in the person the presence of antibodies indicative of the presence of human immunodeficiency virus (HIV) or other sexually transmitted diseases, as defined in 50-18-101.

(2) Arrangements for the test required by subsection (1) must be made by the county attorney of the county in which the person was convicted. The test must be conducted by a health care provider, as defined in 50-16-504.

(3) The county attorney of the county in which the person was convicted shall release the information concerning the test results to:

- (a) the convicted person; and
- (b) the victim of the offense committed by the convicted person or to the parent or guardian of the victim if the victim is a minor.

(4) At the request of the victim of a sexual offense or the parent or guardian of the victim if the victim is a minor, the victim must be provided counseling regarding HIV disease, HIV

testing (in accordance with applicable law), and referral for appropriate health care and support services.

(5) For purposes of this section, "convicted" includes an adjudication, under the provisions of 41-5-1502, finding a youth to be a delinquent youth or a youth in need of intervention.

(6) The provisions of the AIDS Prevention Act, Title 50, chapter 16, part 10, do not apply to this section."

Section 4. Section 46-23-502, MCA, is amended to read:

"46-23-502. Definitions. As used in 46-18-255 and this part, the following definitions apply:

(1) "Department" means the department of corrections provided for in 2-15-2301.

(2) "Mental abnormality" means a congenital or acquired condition that affects the mental, emotional, or volitional capacity of a person in a manner that predisposes the person to the commission of one or more sexual offenses to a degree that makes the person a menace to the health and safety of other persons.

(3) "Personality disorder" means a personality disorder as defined in the fourth edition of the Diagnostic and Statistical Manual of Mental Disorders adopted by the American psychiatric association.

(4) "Predatory sexual offense" means a sexual offense committed against a stranger or against a person with whom a relationship has been established or furthered for the primary purpose of victimization.

(5) "Sexual offender evaluator" means a person qualified under rules established by the department to conduct sexual offender and sexually violent predator evaluations.

(6) "Sexual offense" means:

(a) any violation of or attempt, solicitation, or conspiracy to commit a violation of 45-5-301 (*if the victim is less than 18 years of age and the offender is not a parent of the victim*), 45-5-302, 45-5-303, 45-5-502(3), 45-5-503, 45-5-504(1) (if the victim is under 18 years of age and the offender is 18 years of age or older), 45-5-504(2)(c), 45-5-507 (if the victim is under 18 years of age and the offender is 3 or more years older than the victim), 45-5-603(1)(b), or 45-5-625; or

(b) any violation of a law of another state or the federal government reasonably equivalent to a violation listed in subsection (6)(a).

(7) "Sexual or violent offender" means a person who has been convicted of a sexual or violent offense.

(8) "Sexually violent predator" means a person who has been convicted of a sexual offense and who suffers from a mental abnormality or a personality disorder that makes the person likely to engage in predatory sexual offenses.

(9) "Violent offense" means:

(a) any violation of or attempt, solicitation, or conspiracy to commit a violation of 45-5-102, 45-5-103, 45-5-202, 45-5-206 (third or subsequent offense), 45-5-210(1)(b), (1)(c), or (1)(d), 45-5-212, 45-5-213, ~~45-5-301 (if the victim is less than 18 years of age and the offender is not a parent of the victim)~~, 45-5-302, 45-5-303, 45-5-401, ~~45-5-603(1)(b)~~, or 45-6-103; or

(b) any violation of a law of another state or the federal government reasonably equivalent to a violation listed in subsection (9)(a)."

Section 5. Section 46-23-504, MCA, is amended to read:

"46-23-504. Persons required to register — procedure. (1) A sexual or violent offender:

(a) shall register immediately upon conclusion of the sentencing hearing if the offender is not sentenced to confinement or is not sentenced to the department and placed in confinement by the department;

(b) must be registered as provided in 46-23-503 at least 10 days prior to release from confinement if sentenced to confinement or sentenced to the department and placed in confinement by the department;

(c) shall register within 10 days of entering a county of this state for the purpose of residing or setting up a temporary domicile for 10 days or more ~~if the offender was sentenced in another state or for an aggregate period exceeding 30 days in a calendar year.~~

(2) Registration under subsection (1)(a) must be with the probation office having supervision over the offender. Registration under subsection (1)(c) must be with the chief of police of the municipality or the sheriff of the county if the offender resides in an area other than a municipality. Whichever person an offender registers with under subsection (1)(c) shall notify the other person of the registration.

(3) At the time of registering, the offender shall sign a statement in writing giving the information required by the department of justice. The chief of police or sheriff shall fingerprint the offender, unless the offender's fingerprints are on file with the department of justice, and shall photograph the offender. Within 3 days, the chief of police or sheriff shall send copies of the statement, fingerprints, and photographs to the department of justice.

(4) The department of justice shall mail a registration verification form each 90 days to an offender designated as a level 3 offender under 46-23-509 and each year to a violent offender or an offender designated as a level 1 or level 2 offender under 46-23-509. The form must require the offender's current address and notarized signature. Within 10 days after receipt of the form, the offender shall complete the form and return it to the department.

(5) The offender is responsible, if able to pay, for costs associated with registration. The fees charged for registration may not exceed the actual costs of registration. The department of justice may adopt a rule establishing fees to cover registration costs incurred by the department of justice in maintaining registration and address verification records. The fees must be deposited in the general fund.

(6) The clerk of the district court in the county in which a person is convicted of a sexual or violent offense shall notify the sheriff in that county of the conviction within 10 days after entry of the judgment."

Section 6. Section 46-23-506, MCA, is amended to read:

"46-23-506. Duration of registration. (1) A sexual offender required to register under this part shall register for the remainder of the offender's life, except as provided in subsection (3) or during a period of time during which the offender is in prison.

(2) A violent offender required to register under this part shall register:

(a) for the 10 years following release from confinement or, if not confined following sentencing, for the 10 years following the conclusion of the sentencing hearing; or

(b) if convicted during the 10-year period provided in subsection (2)(a) of failing to register or keep registration current or of a felony, for the remainder of the offender's life unless relieved of the duty to register as provided in subsection (3).

(3) Except as provided in subsection (5), at any time after 10 years of registration, the offender may petition the sentencing court or the district court for the judicial district in which the offender resides for an order relieving the offender of the duty to register. The petition must be served on the county attorney in the county where the petition is filed. Prior to a hearing on the petition, the county attorney shall mail a copy of the petition to the victim of the last offense for which the offender was convicted if the victim's address is reasonably available. The court shall consider any written or oral statements of the victim. The court may grant the petition upon finding that:

(a) the offender has remained a law-abiding citizen; and

(b) continued registration is not necessary for public protection and that relief from registration is in the best interests of society.

(4) The offender may move that all or part of the proceedings in a hearing under subsection (3) be closed to the public, or the judge may close them on the judge's own motion. If a proceeding is closed to the public, the judge shall permit a victim of the offense to be present unless the judge determines that exclusion of the victim is necessary to protect the offender's right of privacy or the safety of the victim. If the victim is present, the judge, at the victim's request, shall permit the presence of an individual to provide support to the victim unless the

judge determines that exclusion of the individual is necessary to protect the offender's right to privacy.

(5) Subsection (3) does not apply to an offender who was convicted of:

(a) *a violation of 45-5-503 if:*

(i) the victim was compelled to submit by force, as defined in 45-5-501, against the victim or another; or

(ii) *at the time the offense occurred, the victim was under 12 years of age;*

(b) *a violation of 45-5-507 if at the time the offense occurred the victim was under 12 years of age and the offender was 3 or more years older than the victim;*

(c) a second or subsequent sexual offense that requires registration; or

(d) a sexual offense and was designated as a sexually violent predator under 46-23-509."

Section 7. Section 46-23-509, MCA, is amended to read:

"46-23-509. Sexual offender evaluations and designations — rulemaking authority. (1) The department shall adopt rules for the qualification of sexual offender evaluators who conduct sexual offender and sexually violent predator evaluations and for determinations by sexual offender evaluators of the risk of a repeat offense and the threat that an offender poses to the public safety.

(2) Prior to sentencing of a person convicted of a sexual offense, the department or a sexual offender evaluator shall provide the court with a sexual offender evaluation report recommending one of the following levels of designation for the offender:

(a) level 1, the risk of a repeat sexual offense is low;

(b) level 2, the risk of a repeat sexual offense is moderate;

(c) level 3, the risk of a repeat sexual offense is high, there is a threat to public safety, and the sexual offender evaluator believes that the offender is a sexually violent predator.

(3) Upon sentencing the offender, the court shall:

(a) review the sexual offender evaluation report, any statement by a victim, and any statement by the offender;

(b) designate the offender as level 1, 2, or 3; and

(c) designate a level 3 offender as a sexually violent predator.

(4) An offender designated as a level 2 ~~or level 3~~ offender may petition the sentencing court to change the offender's designation if the offender has enrolled in and successfully completed the treatment phase of either the prison's sexual offender program or of an equivalent program approved by the department. After considering the petition, the court may change the offender's risk level designation if the court finds by clear and convincing evidence that the offender's risk of committing a repeat sexual offense has changed since the time sentence was imposed. The court shall impose one of the three risk levels specified in this section.

(5) If, at the time of sentencing, the sentencing judge did not apply a level designation to a sexual offender who is required to register under this part, the department shall designate the offender as level 1, 2, or 3 when the offender is released from confinement."

Section 8. Effective date. [This act] is effective on passage and approval.

Section 9. Applicability. [This act] applies to convictions on or after [the effective date of this act].

Approved August 21, 2002

CHAPTER NO. 23

[HB 2]

AN ACT AMENDING THE GENERAL APPROPRIATIONS ACT OF 2001; AMENDING CHAPTER 572, LAWS OF 2001; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

Be it enacted by the Legislature of the State of Montana:

Section 1. Chapter 572, Laws of 2001, is amended to read:

“Section 1. Short title. [This act] may be cited as “The General Appropriations Act of 2001”.

Section 2. First level expenditures. The agency and program appropriation tables in the legislative fiscal analyst narrative accompanying ~~this bill~~ *Chapter 572, Laws of 2001*, showing first level expenditures and *changes in [this act]* to funding for the 2003 biennium, are adopted as legislative intent.

Section 3. Severability. If any section, subsection, sentence, clause, or phrase of [this act] is for any reason held unconstitutional, the decision does not affect the validity of the remaining portions of [this act].

Section 4. Appropriation control. An appropriation item designated as “Biennial” may be spent in either year of the biennium. An appropriation item designated “Restricted” may be used during the biennium only for the purpose designated by its title and as presented to the legislature. An appropriation item designated “One Time Only” or “OTO” may not be included in the present law base for the 2005 biennium. The office of budget and program planning shall establish a separate appropriation on the statewide budgeting and accounting system for any item designated as “Biennial”, “Restricted”, “One Time Only”, or “OTO”. The office of budget and program planning shall establish at least one appropriation on the statewide budgeting and accounting system for any appropriation that appears as a separate line item in [this act].

Section 5. Program definition. As used in [this act], “program” has the same meaning as defined in 17-7-102, is consistent with the management and accountability structure established on the statewide budgeting and accounting system, and is identified as a major subdivision of an agency ordinally numbered with an arabic numeral.

Section 6. Personal services funding — 2005 biennium. (1) Except as provided in subsection (2), present law and new proposal funding budget requests for the 2005 biennium submitted under Title 17, chapter 7, part 1, by each executive, judicial, and legislative branch agency must include funding of first level personal services separate from funding of other expenditures. The funding of first level personal services by accounting entity or equivalent for each fiscal year must be shown at the fourth reporting level or equivalent in the budget request for the 2005 biennium submitted by October 30 to the legislative fiscal analyst by the office of budget and program planning.

(2) The provisions of subsection (1) do not apply to the Montana university system.

Section 7. Personal services line item. Funds appropriated for personal services or indicated in legislative intent as having been appropriated for personal services may not be expended under any other category except for contract services (expenditure account 62102) or for the early return to work program. Any transfer of funds from personal services to contract services is to be used to directly substitute for use of personal services. Any transfer for either contract services or for the early return to work program must be reported in writing to the legislative finance committee. The provisions of this section do not apply to the Montana university system *or to the disability services division in the department of public health and human services for the purposes of adjusting the disabled population between institution and residential settings*.

Section 8. Vacancy savings analysis. The legislature is concerned about the use of the concept of vacancy savings in establishing funding for personal services. It is the intent of the legislature that an analysis of vacancy savings be completed prior to the 2003 legislative session to include the consideration of alternative options for funding of personal services at an appropriate level. The legislative finance committee is requested to include this analysis as part of the House Bill No. 613 personal services study if House Bill No. 613 is passed and approved or to include the analysis in the committee work plan for the legislative fiscal division. The legislative finance committee is encouraged to work cooperatively with the governor’s budget director in completing this analysis.

Section 9. FTE reduction. The number of FTE has been reduced for all positions in the executive branch (excluding the university system) that have been identified by the legislature

as vacant for over 7 months and that are not seasonal, already filled, or newly classified. The reduction is inclusive in the number of FTE shown in the agency and program tables in the legislative fiscal analyst narrative accompanying this bill. The eliminated positions are not to be funded in the present law base budget submitted by the governor for the 2005 biennium. The Legislative Fiscal Division Fiscal Report shall include a table listing the position numbers of the FTE that are eliminated. The number of FTE eliminated by agency is as follows:

Department of Transportation	49.27
Department of Revenue	2.03
Department of Administration	4.84
Department of Public Health and Human Services	9.26
Department of Fish, Wildlife, and Parks	5.02
Department of Environmental Quality	7.75
Department of Livestock	1.00
Department of Natural Resources and Conservation	9.27
Department of Agriculture	1.00
Department of Commerce	2.00
Department of Justice	4.00
Department of Public Service Regulation	0.50
Department of Corrections	0.65
Department of Labor and Industry	7.25
Office of Public Instruction	1.00

Section 10. Goals, benchmarks, and objectives. Each department, the Montana university system, and, when appropriate, each division of each department shall place their respective specific and measurable goals, benchmarks, and objectives for each year of the 2003 biennium on their respective internet websites or, when appropriate, on the state's internet website. On July 1, 2001, and again on July 1, 2002, each department and the Montana university system shall report progress on the appropriate website in meeting the goals, benchmarks, and objectives and what changes, if any, were made to ensure that those goals, benchmarks, and objectives are attained. *On October 1, 2002, each department and the Montana university system shall report to the legislative finance committee and on their respective websites their revised goals, benchmarks, and objectives to reflect specific actions taken and changes made to implement the reductions in expenditures ordered by the governor under the authority of 17-7-140 on June 28, 2002, and all budget reduction actions taken by the legislature in the August 2002 Special Session. Revised performance measures must:*

(1) include a specific list of what programs, services, or procedures are being revised, reduced, or eliminated from current levels of operation because of budget reductions and the reasons for the change;

(2) clearly state which programs or services are the highest priority and should be maintained and why they are the highest priority;

(3) clearly state which programs or services are the least critical and why they are a lower priority;

(4) clearly state the criteria used to prioritize programs in view of budget reductions; and

(5) clearly state the specific management actions taken to implement these budget reductions and program or service revisions.

Section 11. Report from governor's office on energy management efforts. The governor's office, in cooperation with the commissioner of higher education, shall provide a report to the 58th legislature that details the efforts of state agencies to address energy costs. The report must include but is not limited to energy management activities of the department of environmental quality, the department of administration, and the Montana university system. The report should enumerate data, activities, and recommendations in the following areas:

(1) projected savings and other benefits from the state building energy conservation program, including building commissioning projects;

- (2) potential changes to the conservation program that would encourage agency participation;
- (3) other energy conservation efforts of state agencies;
- (4) changes needed to encourage state agencies to conserve energy that do not require expending money on energy conservation projects;
- (5) other energy conservation options and funding proposals;
- (6) progress on the utility bill monitoring pilot project and potential benefits coming from the project;
- (7) state government efforts to more efficiently purchase natural gas and electricity, including any plans to include more state facilities under the natural gas term contract and efforts to aggregate state agency electricity demand; and
- (8) other recommendations to the legislature that would improve state government energy management efforts.

Section 12. Accruals analysis — 2005 biennium. The legislative fiscal division shall include an analysis of accruals for budget base year fiscal year 2002 and shall include a summary table and narrative in the Legislative Fiscal Division 2005 Biennium Budget Analysis that provides a listing by agency of total accruals and the amount that is recommended to be removed from the base budget.

Section 13. Energy costs reserve. A total of \$3.2 million must be set aside in the general fund for contingencies related to cost increases in electricity and natural gas expenditures by state government significantly above the amounts appropriated for this purpose in [this act] or to support litigation to secure affordable electricity or natural gas. The amount is classified as unreserved, designated general fund balance.

Section 14. Totals not appropriations. The totals shown in [this act] are for informational purposes only and are not appropriations.

Section 15. Effective date. [This act] is effective July 1, 2001.

Section 16. Appropriations. The following money is appropriated for the respective fiscal years:

	Fiscal 2002					Fiscal 2003						
	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
244,559	0	0	0	0	0	244,559	274,901	0	0	0	0	274,901
3. Law Library (03)												
772,001	0	0	0	0	0	772,001	776,471	0	0	0	0	776,471
4. District Court Operations (04)												
4,853,964	0	0	0	0	0	4,853,964	4,877,311	0	0	0	0	4,877,311
a. SB 282 — Asbestos Court												
190,157	0	0	0	0	0	190,157	186,157	0	0	0	0	186,157
b. District Court Judges for Ravalli and Cascade Counties												
0	0	0	0	0	0	0	129,000	0	0	0	0	129,000
							273,239					273,239
c. Startup Costs for New Judgeships (OTO)												
0	0	0	0	0	0	0	7,898	0	0	0	0	7,898
e.d. State Assumption of District Courts (Restricted/Biennial)												
800,500	0	0	0	0	0	800,500	0	0	0	0	0	0
5. Water Courts Supervision (05)												
0	669,691	0	0	0	0	669,691	0	678,959	0	0	0	678,959
6. Clerk of Court (06)												
288,479	0	0	0	0	0	288,479	337,855	0	0	0	0	337,855
a. Equipment (OTO)												
3,500	0	0	0	0	0	3,500	0	0	0	0	0	0
Total												
10,218,002	1,819,691	463,725	0	0	0	12,501,418	9,637,131	1,753,959	363,725	0	0	11,754,815
Item 1 includes a reduction in fiscal year 2003 of \$12,178 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The agency may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.												
Item 1 includes a reduction of \$96,367 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the judiciary. The judiciary may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.												
Item 4a contains general fund money for an asbestos court. If federal funds are received for the purpose of funding a court to manage asbestos cases, the general fund appropriation in item 4a is reduced by a like amount.												
Item 4b is contingent upon passage and approval of House Bill No. 214.												
Item 4c is contingent upon passage and approval of House Bill No. 124.												
MONTANA CHIROPRACTIC LEGAL PANEL (2115)												
1. Legal Panel Operations (01)												
0	15,000	0	0	0	0	15,000	0	15,000	0	0	0	15,000
Total												
0	15,000	0	0	0	0	15,000	0	15,000	0	0	0	15,000
GOVERNOR'S OFFICE (3101)												
1. Executive Office Program (01)												
1,234,434	286,634	29,605	0	0	0	1,550,673	1,237,963	287,333	30,104	0	0	1,554,560
							1,174,331					1,491,768
a. Legislative Audit (Restricted/Biennial)												
24,325	0	0	0	0	0	24,325	0	0	0	0	0	0

	Fiscal 2002				General Fund	State Special Revenue	Fiscal 2003			Total
	General Fund	State Special Revenue	Federal Special Revenue	Proprietary			Other	Proprietary	Other	
b. Extradition and Transportation of Prisoners										
177,724	0	0	0	177,724	178,936	0	0	0	0	178,936
c. Consensus Council Matching Funds for Grants (Biennial/OTO)										
75,000	0	0	0	75,000	75,000	0	0	0	0	75,000
					37,500					37,500
d. Flathead Basin Commission — Flathead Valley Ground Water Quality Assessment (OTO)										
0	0	99,992	0	99,992	0	0	0	0	0	0
e. Office of Economic Development										
850,000	0	0	0	850,000	850,000	0	0	0	0	850,000
2. Mansion Maintenance Program (02)										
78,882	0	0	0	78,882	79,035	0	0	0	0	79,035
3. Air Transportation Program (03)										
175,409	16,000	0	0	191,409	176,700	16,000	0	0	0	192,700
4. Office of Budget and Program Planning (04)										
1,087,033	0	0	0	1,087,033	1,081,052	0	0	0	0	1,081,052
a. Legislative Audit (Restricted/Biennial)										
22,865	0	0	0	22,865	0	0	0	0	0	0
b. Video Projector and Computer (OTO)										
5,600	0	0	0	5,600	0	0	0	0	0	0
c. Energy Cost Contingency Account (Restricted/Biennial/OTO)										
0	868,751	387,533	0	1,256,284	0	0	0	0	0	0
5. Indian Affairs (05)										
112,204	0	0	0	112,204	112,583	0	0	0	0	112,583
a. Carryover Funds (Restricted)										
0	150,000	2,000,000	0	2,150,000	0	0	0	0	0	0
6. Lieutenant Governor (12)										
223,314	0	0	0	223,314	224,893	0	0	0	0	224,893
7. Citizens' Advocate Office (16)										
65,274	0	15,000	0	80,274	65,483	0	15,000	0	0	80,483
8. Mental Disabilities Board of Visitors (20)										
200,579	7,200	0	0	207,779	197,572	7,200	0	0	0	204,772
Total	4,332,643	1,328,585	2,532,130	8,193,358	4,278,317	310,533	45,104	0	0	4,633,954
					4,178,085					4,533,722

General fund money up to \$51,000 for the 2003 biennium in item 1b not used for the extradition and transportation of prisoners may be used to purchase vans for county sheriffs and peace officers to transport prisoners.

The legislature recognizes that the cost for extradition and transportation of prisoners is dependent upon factors beyond the control of the agency and may exceed the appropriation provided. In that event, the agency will need to request a supplemental appropriation from the 2003 legislature to provide required extradition and transportation of prisoners.

Item 1 includes a reduction in fiscal year 2003 of \$19,955 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The governor's office may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.

Item 1 includes a reduction of \$42,777 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the governor's office. The governor's office may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 1b and the accompanying language are contingent upon passage and approval of Senate Bill No. 328.

	Fiscal 2002			Fiscal 2003			
	General Fund	State Special Revenue	Federal Special Revenue	General Fund	State Special Revenue	Federal Special Revenue	Other
If Senate Bill No. 445 is not passed and approved, the appropriation in item 1e is void and the appropriation in item 4c is increased by \$1,700,000 in general fund money in fiscal year 2002.							
Item 4c is a contingency biennial account to be managed by the office of budget and program planning to respond to contingencies related to cost increases in electricity and natural gas expenditures by state government significantly above the amounts appropriated in [this act]. Requests for use of this account must be analyzed by the office of budget and program planning and approved by the governor. Distribution of this money to state agencies must be proportional to the overall needs of state agencies relative to the total funds available. Approved expenditures must be reported to the legislative finance committee.							
Item 5a is contingent upon passage and approval of House Bill No. 21. Funds in item 5a for the 2003 biennium are limited to the unspent balance of the 2001 appropriation of up to \$150,000 in state special revenue and \$2 million in federal special revenue.							
COMMISSIONER OF POLITICAL PRACTICES (3202)							
1. Administration (01)							
345,738	0	0	0	345,738	0	0	0
a. Legislative Audit (Restricted/Biennial)							
4,865	0	0	0	4,865	0	0	0
Total							
350,603	0	0	0	350,603	0	0	0
				346,987	0	0	0
				340,248			
							346,987
							340,248

Item 1 includes a reduction in general fund money of \$571 in fiscal year 2002 and \$571 in fiscal year 2003. This reduction is the equivalent of a 25% reduction in fiscal year 2000 base budget travel expenses.

Item 1 includes a reduction in fiscal year 2003 of \$3,270 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002.

Item 1 includes a reduction of \$3,469 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the office.

OFFICE OF THE STATE AUDITOR (3401)

1. Central Management (01)							
0 527,253	0	0	0	527,253	0	0	0
a. Legislative Audit (Restricted/Biennial)							
0 4,368	0	0	0	4,368	0	0	0
2. Insurance Program (03)							
0 2,404,683	0	0	0	2,404,683	0	0	0
a. Legislative Audit (Restricted/Biennial)							
0 19,219	0	0	0	19,219	0	0	0
b. Contract Examinations (Restricted)							
0 107,234	0	0	0	107,234	0	0	0
c. SB 373 — Licensing Captive Insurers (Restricted)							
0 20,000	0	0	0	20,000	0	0	0
d. HB 542 — Surplus Lines Fees (Restricted)							
0 52,115	0	0	0	52,115	0	0	0
3. Securities (04)							
334,571 190,212	0	0	0	524,783	190,269	0	0
				336,923			
				320,609			
a. Legislative Audit (Restricted/Biennial)							
3,689 1,844	0	0	0	5,533	0	0	0
b. Contract Examinations (Restricted)							

	Fiscal 2002			Fiscal 2003			
	General Fund	State Special Revenue	Federal Special Revenue	General Fund	State Special Revenue	Federal Special Revenue	Total
	0	12,000	0	0	12,000	0	12,000
Total	338,260	3,338,928	0	336,928	3,268,329	0	3,605,252
				320,609			3,588,938

Item 2c is contingent upon passage and approval of Senate Bill No. 373.

Item 3 includes a reduction of \$9,149 in fiscal year 2002 and \$9,181 in fiscal year 2003 of general fund money. The office may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans. The office of budget and program planning shall provide a report that details reallocation to the legislative finance committee by October 15 of each fiscal year.

Item 3 includes a reduction in general fund money of \$2,890 in fiscal year 2002 and \$2,890 in fiscal year 2003. This reduction is the equivalent of a 10% reduction in fiscal year 2000 base budget travel expenses. The office may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans.

Item 3 includes a reduction in fiscal year 2003 of \$1,153 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The office of the state auditor may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.

Item 3 includes a reduction of \$3,369 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the office of the state auditor. The office of the state auditor may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 3 includes a reduction in fiscal year 2003 of \$11,792 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.

DEPARTMENT OF TRANSPORTATION (5401)

1. General Operations Program (01)							
0	16,468,534	1,249,771	0	0	16,536,844	1,183,602	0
a. Legislative Audit (Restricted/Biennial)							
0	109,461	0	0	0	0	0	0
b. General Operations One-Time Costs (OTO)							
0	457,500	0	0	0	200,000	0	0
2. Construction Program (02) (Biennial)							
0	71,531,203	296,588,388	0	0	74,292,575	305,871,704	0
a. Construction Program One-Time Costs (OTO)							
0	53,000	120,000	0	0	0	0	0
3. Maintenance Program (03) (Biennial)							
0	75,870,412	5,090,609	0	0	76,230,890	5,090,609	0
a. Maintenance Program One-Time Costs (OTO)							
0	167,700	0	0	0	0	0	0
4. Motor Carrier Services Division (22)							
0	4,971,167	0	0	0	4,994,990	0	0
a. Mobile Officer Vehicle Enforcement Computers (OTO)							
0	6,200	0	0	0	0	0	0
5. Aeronautics Program (40)							
0	752,611	112,500	0	0	767,054	85,500	0
a. Airport Development Grants (Biennial)							
0	750,000	0	0	0	0	0	0
b. Airport Pavement Preservation Grants (Biennial)							
0	250,000	0	0	0	0	0	0
c. Federal Airport Improvement Grants (Biennial)							
0	16,667	300,000	0	0	0	0	0
6. Transportation Planning Division (50)							

Fiscal 2002					Fiscal 2003						
General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
0	2,121,160	10,719,595	0	0	12,840,755	0	1,934,325	13,168,607	0	0	15,102,932
a. Software and Field Data Collection (Biennial/OTO)	0	240,000	0	0	300,000	0	0	0	0	0	0
b. Statewide Truck Activity Reporting System (OTO)	0	173,212	0	0	746,280	0	115,323	381,544	0	0	496,867
c. Transportation of Seniors and Persons With Disabilities	0	171,093	0	0	171,093	0	347,318	0	0	0	347,318
Total					488,923,851	0	175,419,319	325,781,566	0	0	501,200,885
The department may adjust appropriations in the construction, maintenance, and transportation planning programs between state special and federal special revenue fund types if the total state special revenue authority for these programs is not increased by more than 10% of the total appropriations established by the legislature for each program. All transfers between fund types must be fully explained and justified by budget documents submitted to the office of budget and program planning, and all fund transfers of more than \$1 million in any 30-day period must be communicated to the legislative finance committee in a written report.											
All federal special revenue appropriations in the department are biennial.											
Item 2 includes a total of \$63,690 for the 2003 biennium for the Montana natural resources information system. Quarterly payments must be made upon receipt of the bills from the state library, up to the total amount appropriated.											
All appropriations in the construction program are biennial.											
All appropriations in the maintenance program are biennial.											
Item 5 includes \$4,000 of state special revenue in fiscal year 2002 and \$4,000 of state special revenue in fiscal year 2003 that are contingent upon passage and approval of House Bill No. 430.											
Item 5a includes \$300,000 of state special revenue in fiscal year 2002 that is contingent upon passage and approval of Senate Bill No. 280.											
All appropriations in the transportation planning program are biennial.											
Item 6c is contingent upon passage and approval of Senate Bill No. 448.											
DEPARTMENT OF REVENUE (5801)											
1. Director's Office (01)											
2,315,882	300	800	30,068	0	2,347,050	2,326,931	0	0	30,643	0	2,357,574
											2,113,668
a. Legislative Audit (Restricted/Biennial)											
131,353	0	0	0	0	131,353	0	0	0	0	0	0
b. SB-512 Impose Electrical Energy Excess Revenue Tax (Restricted)											
123,357	0	0	0	0	123,357	124,856	0	0	0	0	124,856
c. SB-512 Legal and Litigation Expenses (Restricted/Biennial)											
150,000	0	0	0	0	150,000	0	0	0	0	0	0
d. SB-512 Personal Computers and Computer Equipment (Restricted/OTO)											
10,000	0	0	0	0	10,000	0	0	0	0	0	0
2. Information Technology (02)											
2,154,374	0	188,941	70,320	0	2,413,635	2,261,282	0	194,652	71,666	0	2,527,600
3. Resource Management (05)											
1,498,751	0	0	1,085,594	0	2,584,345	1,526,552	0	0	1,090,060	0	2,616,612
4. Customer Service and Information Practices (06)											
3,715,801	228,844	1,032,135	749,075	0	5,725,855	2,737,041	232,754	1,042,210	739,891	0	5,751,896
											5,934,254
a. Unclaimed Property Auditor (OTO)											

	Fiscal 2002				Fiscal 2003			
	General Fund	State Special Revenue	Federal Special Revenue	Other	General Fund	State Special Revenue	Federal Special Revenue	Other
e. Local Government Services Division								
422,204	0	0	0	0	423,300	0	0	0
f. Consumer Affairs Division								
266,248	74,506	0	0	0	266,117	74,503	0	0
g. Telemarketing/Lemon Law Programs Fund Switch (Restricted/OTO)								
56,364	0	0	0	0	56,364	0	0	0
2. Architecture and Engineering Program (04)								
0	1,137,916	0	0	0	0	1,147,932	0	0
a. Legislative Audit (Restricted/Biennial)								
0	1,636	0	0	0	0	0	0	0
3. Procurement and Printing Division (06)								
515,947	0	0	0	0	518,826	0	0	0
4. Information Services Division (07)								
127,593	0	800,000	0	0	126,588	0	0	0
a. Legislative Audit (Restricted/Biennial)								
794	0	0	0	0	0	0	0	0
5. General Services Program (08)								
394,409	0	0	0	0	401,439	0	0	0
6. Banking and Financial Division (14)								
0	1,485,063	0	0	0	0	1,490,815	0	0
a. Legislative Audit (Restricted/Biennial)								
0	2,821	0	0	0	0	0	0	0
7. Montana State Lottery (15)								
0	0	0	8,574,656	0	0	0	8,904,330	0
a. Legislative Audit (Restricted/Biennial)								
0	0	8,265	0	0	0	0	8,714,330	0
b. Online Terminals (OTO)								
0	0	345,000	0	0	0	0	0	0
8. State Personnel Division (23)								
1,092,389	26,600	0	0	0	1,095,102	27,400	0	0
9. State Tax Appeal Board (37)								
273,523	0	0	0	0	275,231	0	0	0
Total								
4,375,600	2,733,597	864,315	8,968,974	933,065	4,968,189	2,745,707	62,451	933,055

For the data network rate, all increases over a rate of \$64.59 are one time only. The executive must use \$64.59 as the base level and justify all increases requested for the 2005 biennium over this level.

Item 1 includes a reduction in fiscal year 2003 of \$11,794 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The department may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.

Item 1 includes a reduction in general fund money of \$4,122 in fiscal year 2002 and \$4,122 in fiscal year 2003. This reduction is the equivalent of an 8% reduction in fiscal year 2000 base budget travel expenses. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans.

Fiscal 2002				Fiscal 2003			
General Fund	State Special Revenue	Federal Special Revenue		General Fund	State Special Revenue	Federal Special Revenue	
			Other	Total		Proprietary	Other
<i>Item 1 includes a reduction of \$4,049 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 66.67% reduction in the fiscal year 2003 budget for equipment expenses. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.</i>							
<i>Item 1 includes a reduction of \$42,678 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the agency. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.</i>							
<i>Items 1e, 1f, 1g, 6, 6a, 7, 7a, and 7b and \$1,519 of general fund money in fiscal year 2002 in item 1a are contingent upon passage and approval of Senate Bill No. 445. The department is appropriated in each of the fiscal years 2002 and 2003 up to \$500,000 of state special revenue that is deposited in the account established for the purpose of processing charter applications and for the chartering, examination, and regulation of each foreign capital depository that obtains a charter under the provisions of 32-8-205.</i>							
<i>The department is appropriated up to \$66,364 in state special revenue authority in each year of the biennium for operations within the telemarketing and lemon law programs and shall seek and use state special revenue received from consumer affairs' settlements as authorized by a district court order to offset and minimize use of the general fund money within the telemarketing and lemon law programs, as provided in 17-2-108.</i>							
<i>The department shall report to the 2003 legislature on the status and results related to the purchase and placement of additional online terminals funded in item 7b.</i>							
<i>Item 8 includes a reduction of \$21,490 in fiscal year 2002 and \$21,564 in fiscal year 2003 of general fund money. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans. The office of budget and program planning shall provide a report that details reallocation to the legislative finance committee by October 15 of each fiscal year.</i>							
APPELLATE DEFENDER COMMISSION (6102)							
1. Appellate Defender (01)							
0	177,534	0	0	177,534	0	0	0
Total	0	177,534	0	177,534	0	0	0
<i>Item 1 includes an increase of \$178,901 of general fund money in fiscal year 2003 and a reduction of \$178,901 of state special revenue in fiscal year 2003 that are contingent upon passage and approval of House Bill No. 124.</i>							
<i>Item 1 includes a reduction in fiscal year 2003 of \$537 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002.</i>							
<i>Item 1 includes a reduction of \$1,789 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the commission.</i>							
TOTAL SECTION A							
66,669,126	187,377,964	321,154,988	10,904,031	676,029,153	186,936,860	328,620,243	933,055
55,167,048				575,537,076	64,482,162	10,877,814	581,860,124
					54,472,901	10,687,814	591,650,873

[illegible]

	Fiscal 2002				Fiscal 2003			
	General Fund	State Special Revenue	Federal Special Revenue	Total	General Fund	State Special Revenue	Federal Special Revenue	Total
2,006,639	219,622	4,957,197	0	7,183,458	2,025,415	209,982	4,980,608	7,216,005
a. Contracted Licensure Services (OTO)								
58,737	0	0	0	58,737	58,862	0	0	58,862
7. Operations and Technology Division (09)								
11,430,755	1,530,252	15,881,424	0	28,842,431	11,992,669	2,111,463	16,329,740	29,643,772
a. Legislative Audit (Restricted/Biennial)					9,387,513			27,828,716
154,465	37,800	151,200	0	343,465	0	0	0	0
8. Disability Services Division (10)								
42,100,426	97,354	53,417,647	0	95,615,427	42,914,066	97,354	53,722,089	96,033,499
a. Developmental Disabilities Program Federal Funds (Biennial)					40,248,857	2,062,653		
0	0	4,000,000	0	4,000,000	0	0	0	0
b. Movement From Institutions to Community Settings (OTO)								
1,400,277	0	0	0	1,400,277	1,400,224	0	0	1,400,224
c. Direct Care Worker Wage Parity (Restricted)								
1,551,313	0	1,496,488	0	3,047,801	2,445,300	0	2,364,721	4,810,021
9. Senior and Long-Term Care Division (22)								
44,035,794	6,265,504	135,566,053	0	185,967,351	45,575,083	7,142,437	142,244,588	194,962,108
a. One-Time Payments to Nursing Homes for Medicaid Services								
0	1,350,000	3,627,876	0	4,977,876	0	1,625,000	4,397,980	6,022,980
b. Nursing Home and Community Services Improvements (OTO)								
0	162,720	437,280	0	600,000	0	161,880	438,120	600,000
c. Personal Assistant Wage Increases								
401,931	0	1,080,114	0	1,482,045	638,676	0	1,728,544	2,367,220
d. Additional Federal Special Revenue								
0	0	1,000,000	0	1,000,000	0	0	1,000,000	1,000,000
e. Maintain Community Services for Elderly and Physically Disabled (Restricted)								
0	0	0	0	0	97,191	0	0	97,191
10. Addictive and Mental Disorders Division (33)								
49,801,020	6,152,612	70,643,821	0	126,597,453	51,713,723	6,590,808	75,394,948	133,699,479
a. Community Incentive/State Hospital (Restricted/Biennial/OTO)					50,713,723	7,590,808		
1,196,553	0	0	0	1,196,553	1,196,553	0	0	1,196,553
b. Basic Mental Health Services for Children (Restricted)								
647,952	0	0	0	647,952	671,928	0	0	671,928
c. Regional Mental Health System Planning (Restricted/Biennial)								
208,531	0	278,041	0	486,572	208,530	0	278,040	486,570
d. Olmstead Planning/Implementation (Restricted)								
0	0	20,000	0	20,000	0	0	20,000	20,000
e. Intergovernmental Transfer — Mental Health Services								
0	106,155	285,273	0	391,428	0	108,564	293,824	402,388
f. Intergovernmental Transfer — Chemical Dependency (Biennial)								
0	250,000	671,829	0	921,829	0	257,000	695,557	952,557

	Fiscal 2002			Fiscal 2003		
	General Fund	State Special Revenue	Federal Special Revenue	General Fund	State Special Revenue	Federal Special Revenue
<i>g.</i> Law Enforcement/Judicial Training — Mental Illness (Restricted)						
42,219	0	25,332	0	42,324	0	25,395
<i>h.</i> Federal Community Incentive Grant — Chemical Dependency (OTO)						
0	0	3,594,483	0	0	0	3,594,483
<i>i.</i> SB 107 — Teleconferencing During Mental Health Proceedings						
7,800	0	0	0	8,190	0	0
<i>j.</i> Maintain Mental Health Day Treatment for Children (Restricted)						
0	0	0	0	0	258,736	0
<i>k.</i> Maintain Lower Medicaid Copayments						
0	0	0	0	0	350,000	0
Total	262,958,769	28,922,817	723,837,878	273,103,341	81,562,758	733,544,396
			721,073,317	268,420,277	35,136,693	735,821,086

The department shall provide the following information by program to the children, families, health, and human services interim committee and to the legislative finance committee by August 1, 2002:

(1) rates paid by each program for comparable services; and

(2) entry level and average hourly wage and benefit rates paid by community providers for direct care workers and group home employees.

The information must specify how the data was gathered and whether and how the department verified the data and must be presented to allow evaluation among comparable services and jobs.

Funds appropriated for grants or benefits and claims or indicated in legislative intent as having been appropriated for grants or benefits and claims may be expended only as grants or benefits and claims. The office of budget and program planning may authorize a transfer of appropriation authority from grants or benefits and claims to another category of expenditure under one of the following conditions:

(1) the department certifies to the office of budget and program planning that federal law or regulations require that funds appropriated in grants or benefits and claims must be expended in a different category of expenditure; or

(2) the department certifies to the office of budget and program planning that there will be savings if funds appropriated in grants or benefits and claims are transferred and expended in another category of expenditure.

The office of budget and program planning shall report to the legislative finance committee on transfers approved subject to these two conditions:

The department shall report to the legislative finance committee and the children, families, health, and human services interim committee at every meeting of each committee:

(1) the actual amount of federal temporary assistance for needy families (TANF) block grant funds expended in the current biennium;

(2) the actual amount of TANF block grant maintenance of effort funds that have been expended in the current biennium;

(3) the balance of previous fiscal years' TANF block grant funds that remain unexpended; and

(4) the balance of the current fiscal year federal TANF block grant funds that remain unexpended.

The department shall use unexpended previous year federal TANF block grant funds to provide benefits and services that meet the federal definition of assistance. Current year federal TANF block grant funds must be used to fund benefits and services that meet the federal definition of assistance only after all available previous years' federal TANF block grant funds have been expended.

The office of budget and program planning may proportionally reduce the funding in items 1a through 1k, items 1m through 1t, and item 1v if any of the following conditions exist:

(1) the department certifies to the office of budget and program planning that the balance of unexpended TANF funds on June 30, 2001, is less than \$30 million;

(2) actual or projected cash assistance expenditures are greater than \$24,067,328 in fiscal year 2002 or \$23,763,854 in fiscal year 2003;

(3) the amount of TANF grant funds awarded to Montana by congress is reduced below the level anticipated by the legislature; or

(4) the department certifies to the office of budget and program planning that the reduction is necessary in order to maintain public assistance programs that were supported by federal TANF and state TANF maintenance of effort funds in fiscal year 2001.

If the TANF block grant funds report given at the March 2002 legislative finance committee meeting indicates that there are FAIM phase II R dollars unexpended and no plan is in place to expend the remaining dollars, there is appropriated up to \$1.5 million of these unexpended funds for the summer youth employment program in the 2003 biennium.

Fiscal 2002			Fiscal 2003		
General Fund	State Special Revenue	Federal Special Revenue	General Fund	State Special Revenue	Federal Special Revenue
Total			Total		
			Proprietary	Other	Proprietary
			Other		
			Total		

Item 8c includes \$3,996,613 in general fund money and \$3,861,209 in federal funds to begin equalization of wages paid to direct care workers employed by developmental disability community providers with direct care worker wages paid to employees at Eastmont human services center and the Montana developmental center.

The disability services division shall complete a report on the impact that applying income criteria to determine eligibility for developmental disabilities program services and benefits would have on individuals, the waiting list for services, and the budget for the developmental disabilities program. The report must be presented to the legislative finance committee by June 30, 2002. The report to the legislative finance committee should include by age group (0-3, 4-5, 6-18, 18-21, and over 21 years of age) and by residential setting (recipient home, group home, institution, etc.):

- (1) the number of nonmedicaid-eligible recipients and the value of services, by funding source, provided to individuals and families with income at or below 200% of the federal poverty level; and
- (2) the number of nonmedicaid-eligible recipients and the value of services, by funding source, provided to individuals and families with income at or below 150% of the federal poverty level.

The fiscal year 2003 funds in items 8, 8a, and 8b may not be expended until the report has been presented to the legislative finance committee. Included in item 8b is general fund money of \$1,400,277 in fiscal year 2002 and \$1,400,224 in fiscal year 2003. This funding is one time only. The combined population at the two institutions (Eastmont human services center and Montana developmental center) may not exceed 88 individuals at the end of the 2003 biennium. If the disability services division has a population of more than 88 individuals at the end of the 2003 biennium, the division shall certify that a community residential setting was not available for the individuals remaining in the two institutions.

Funds in item 9a may be used only to make one-time payments to nursing homes based on the number of medicaid services provided. State special revenue in item 9a may be expended only after the office of budget and program planning has certified that the department has received \$2 million each year from counties participating in the intergovernmental transfer program for nursing homes.

The department shall distribute funds in items 8c and 9c in a way that provides reasonable assurance that the funds are used solely for direct care wage and benefit increases. Not all providers or types of direct care workers must receive the same rate increase for the biennium. Funds appropriated in items 8c and 9c may be used only for direct care worker wage increases. Funds in items 8c and 9c may not be used to fund other programs. In the event that the department finds it necessary to institute program reductions, it is the intent of the legislature that funds in items 8c and 9c be the last items eliminated.

The senior and long-term care division is authorized to pursue up to \$2 million in federal special revenue in item 9d over the biennium to enhance or improve division services or programs. This additional federal special revenue may be expended by the division on services as long as those actions do not require or commit the state to additional general fund expenditures beyond the amount appropriated for the 2003 biennium by the legislature to the division in [this act].

Pursuant to 17-7-140, item 9e is exempt from spending reductions because of a projected general fund budget deficit.

The department shall post on the senior and long-term care division website the staffing levels provided in Montana nursing facilities.

The department shall require that area agencies on aging provide a written assessment of the need for increased funding in their nutrition programs prior to expending the additional Title III of the Older Americans Act of 1965 grant funds appropriated in [this act].

The appropriation in item 10 is contingent on the department developing a management plan to:

- (1) ensure that the department staff tracking the census of residential treatment of children in Montana communicate in-state service availability to appropriate staff; and
- (2) negotiate or issue requests for proposals in compliance with 52-2-306 and 52-2-307 for placement of children with in-state providers in lieu of placing the child in out-of-state treatment. The department shall submit the plan to the children, families, health, and human services interim committee and the legislative finance committee by July 1, 2001.

Item 10 is contingent on the department maintaining \$3,539,842 of federal block grant contracts to state-approved chemical dependency programs for treatment and rehabilitation each year of the 2003 biennium.

Item 10 includes \$559,560 in general fund money in fiscal year 2002 and \$713,907 in fiscal year 2003 that must be used to fund mental health services for persons eligible for the mental health services plan. At least \$480,000 of these general fund appropriations must be used for grants to one or more local children's mental health provider coalitions to prevent placement of emotionally disturbed children in out-of-home services.

Item 10 must be increased by \$1 million in general fund money and must be reduced by \$1 million in state special revenue in fiscal year 2003 unless Senate Bill No. 1, August 2002 Special Session, is passed and approved in a form that:

- (1) maintains at least a \$1 million distribution to state-approved chemical dependency programs to provide treatment, rehabilitation, and prevention of chemical dependency pursuant to 53-24-208; and*
- (2) requires the department to distribute in the same proportion as provided in 53-24-206(3)(b) at least \$730,000 of the \$1 million in funds referenced in item 1 to the state-approved chemical dependency programs.*

Fiscal 2002					Fiscal 2003						
General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
Funds in item 10a must be used to fund services at Montana state hospital and for staff and utilization review activities to reduce the use of institutional services. Any funds not spent for staff and utilization review activities must be used to fund community services, which will reduce the need for inpatient and institutional care. The funds may not be used for any other purpose.											
Funds in item 10b must be used to fund mental health services for low-income children. Funds in item 10b may not be used for any other purpose or transferred to any other program.											
Funds in item 10d must be used to contract with the Montana consensus council.											
Funds in item 10e must be used to pay one-time increases in reimbursement for services provided in frontier counties by county-funded mental health medicaid service providers.											
Item 10f includes \$25,000 in contracted services in fiscal year 2003 funded equally from state special revenue and federal special revenue.											
Funds in item 10g must be used for:											
(1) activities related to training and educating law enforcement personnel, judicial personnel, and persons instrumental to the commitment process in recognizing serious mental illness and appropriate approaches to and treatment for persons who exhibit symptoms of mental illness; and											
(2) development of screening tools to help identify whether a person may be mentally ill.											
Item 10j is contingent upon passage and approval of Senate Bill No. 26, August 2002 Special Session.											
Item 10k is contingent upon passage and approval of Senate Bill No. 26, August 2002 Special Session.											
TOTAL SECTION B											
262,958,769	28,922,817	722,837,978	0	0	1,015,719,464	273,102,341	31,562,758	733,544,386	0	0	1,038,210,485
		721,073,317			1,012,954,903	268,420,277	35,136,693	735,821,086			1,039,378,056

Fiscal 2002				Fiscal 2003			
General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue
C. NATURAL RESOURCES AND COMMERCE							
DEPARTMENT OF FISH, WILDLIFE, AND PARKS (5201)							
1. Administration and Finance Division (01)							
0 5,683,118	1,199,741	0	0	0	6,882,859	0	5,715,726
a. Legislative Audit (Restricted/Biennial)							
0 62,028	10,946	0	0	0	72,974	0	0
b. Legislative Contract Authority (Restricted/OTO)							
0 0	75,000	0	0	0	75,000	0	75,000
2. Field Services Division (02)							
0 6,601,562	724,700	0	0	0	7,326,262	0	6,651,474
a. Public Wildlife Interface (Biennial)							
0 65,000	0	0	0	0	65,000	0	0
b. Legislative Contract Authority (Restricted/OTO)							
0 0	60,000	0	0	0	60,000	0	0
c. SB 285 — Revise Conservation License Laws (OTO)							
0 0	0	0	0	0	0	0	802,000
3. Fisheries Division (03)							
0 3,314,986	3,786,792	0	0	0	7,101,778	0	3,338,044
a. Fishing Access Assistance (Restricted/OTO)							
0 50,000	0	0	0	0	50,000	0	50,000
b. Recreation Conflict Coordinator (OTO)							
0 15,874	37,039	0	0	0	52,913	0	15,874
c. Legislative Contract Authority (Restricted/OTO)							
0 0	1,851,019	0	0	0	1,851,019	0	0
d. Echo Lake Fish Planting (OTO)							
0 7,500	22,500	0	0	0	30,000	0	7,500
4. Law Enforcement Division (04)							
0 5,983,160	277,002	0	0	0	6,260,162	0	6,057,818
a. Alternative Livestock Environmental Review (Biennial/OTO)							
0 96,000	0	0	0	0	96,000	0	0
b. Legislative Contract Authority (Restricted/OTO)							
0 0	10,000	0	0	0	10,000	0	0
c. HB 419 — Create Natural Resources Enforcement Program in Attorney General's Office							
0 41,600	0	0	0	0	41,600	0	41,600
5. Wildlife Division (05)							
0 3,641,942	3,432,582	0	0	0	7,074,524	0	3,682,843
a. Mountain Lion Research (Restricted/OTO)							
0 38,992	116,978	0	0	0	155,970	0	38,992
b. Black Bear Research (OTO)							
0 14,830	44,490	0	0	0	59,320	0	14,830
c. Sage Grouse Monitoring (OTO)							
0 22,500	67,500	0	0	0	90,000	0	22,500
d. Legislative Contract Authority (Restricted/OTO)							
0 0	533,798	0	0	0	533,798	0	0

<u>Fiscal 2002</u>				<u>Fiscal 2003</u>						
General Fund	State Special Revenue	Federal Special Revenue	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total

The department is to report to the natural resources and commerce appropriations subcommittee on the projects funded with federal Sikes Act money and state matching money. The report is to include an analysis of the viability for continuance of the program and a list of projects funded with the money.

If the department is required to adjust personal services expenditure costs between state and federal accounts, the approving authority shall adjust the state special revenue appropriation and the federal appropriation by like amounts. All transfers between fund types must be fully explained and justified on budget documents submitted to the office of budget and program planning.

The department shall determine and quantify any efficiencies generated as a result of incorporating the Smith River drawing process into the automated license system and report its findings to the 2003 legislature.

Item 1b legislative contract authority (LCA) is subject to all LCA provisions stated in the agency's language. LCA is restricted and a one-time-only item in [this act] and must be requested as a new proposal to be continued into the 2003 biennium. LCA applies only to federal funds.

Item 2b LCA is subject to all LCA provisions stated in the agency's language. LCA is restricted and a one-time-only item in [this act] and must be requested as a new proposal to be continued into the 2003 biennium. LCA applies only to federal funds.

Item 3 includes \$19,726 in state special revenue funds each fiscal year and \$59,178 in federal special revenue funds each fiscal year that are restricted to equipment purchases in the fisheries division and payouts of leave accruals because of retirements in the fisheries division.

Item 3c LCA is subject to all LCA provisions stated in the agency's language. LCA is restricted and a one-time-only item in [this act] and must be requested as a new proposal to be continued into the 2003 biennium. LCA applies only to federal funds.

Item 4 includes a reduction in general fund money of \$18,339 in fiscal year 2002 and \$18,339 in fiscal year 2003. This reduction is the equivalent of a 25% reduction in fiscal year 2000 base budget travel expenses. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans.

Item 4a contains a biennial appropriation of \$96,000 for game farm environmental assessment/environmental impact statements.

Item 4b LCA is subject to all LCA provisions stated in the agency's language. LCA is restricted and a one-time-only item in [this act] and must be requested as a new proposal to be continued into the 2003 biennium. LCA applies only to federal funds.

Item 4c is contingent upon passage and approval of House Bill No. 419.

Item 5a is a restricted and one-time-only appropriation for mountain lion research.

Item 5d LCA is subject to all LCA provisions stated in the agency's language. LCA is restricted and a one-time-only item in [this act] and must be requested as a new proposal to be continued into the 2003 biennium. LCA applies only to federal funds.

Item 6 includes a reduction of \$224 in fiscal year 2002 and \$225 in fiscal year 2003 of general fund money. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans. The office of budget and program planning shall provide a report that details reallocation to the legislative finance committee by October 15 of each fiscal year.

Item 6 includes a reduction of \$2,817 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the agency. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 6 includes a reduction in fiscal year 2003 of \$1,509 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The agency may allocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 6a is a restricted appropriation for motorboat site maintenance.

Item 6b includes a biennial appropriation of \$298,000 for snowmobile equipment.

The department may expend from the appropriation in item 6c no more than one-half of the unspent 2001 biennium appropriation made for this purpose. It is the intent of the legislature for the department to use any funds reverted from the 2001 biennium for the purpose of carrying out various maintenance and construction projects described in the management plan for Chief Plenty Coups state park. Further, the department may pursue up to \$214,155 of lodging facility use tax funds appropriated to the department for state park maintenance in addition to the \$214,155 appropriated in [this act] for purposes of completing the maintenance and construction projects at Chief Plenty Coups state park. The department shall develop a tracking and reporting method for amounts spent from the lodging facility use tax for this purpose. The department shall report to the legislative finance committee at its June 2002 (or nearest) meeting on factors such as projects completed, dollars spent, and a timeline for completion of the remainder of the projects.

Item 6d LCA is subject to all LCA provisions stated in the agency's language. LCA is restricted and a one-time-only item in [this act] and must be requested as a new proposal to be continued into the 2003 biennium. LCA applies only to federal funds.

Item 7a is a restricted appropriation for aquatic education program/family fishing.

Item 7b is a biennial appropriation of \$120,000 for shooting range grants.

Item 7c is a biennial and one-time-only appropriation of \$60,000 for shooting range grants.

Item 7d LCA is subject to all LCA provisions stated in the agency's language. LCA is restricted and a one-time-only item in [this act] and must be requested as a new proposal to be continued into the 2003 biennium. LCA applies only to federal funds.

	Fiscal 2002						Fiscal 2003					
	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
	0	18,306	34,294	0	0	52,600	0	18,306	34,294	0	0	52,600
i. Leaking Underground Storage Tank Trust Contracted Services (Restricted/OTO)	0	30,000	270,000	0	0	300,000	0	30,000	270,000	0	0	300,000
5. Permitting and Compliance Division (50)	1,217,914	8,282,151	3,716,638	0	0	13,216,703	1,185,231	8,342,531	3,701,871	0	0	13,229,633
a. Junk Vehicle Database Conversion (Restricted/OTO)	0	60,000	0	0	0	60,000	0	18,000	0	0	0	18,000
b. Asbestos Compliance (Restricted/OTO)	28,300	56,700	0	0	0	85,000	28,300	56,700	0	0	0	85,000
c. Hazardous Waste Contract Service (Restricted/Biennial/OTO)	0	150,000	0	0	0	150,000	0	0	0	0	0	0
d. Bond Forfeitures (Restricted/Biennial)	0	30,500,000	0	0	0	30,500,000	0	0	0	0	0	0
e. Montana Environmental Policy Act Projects (Restricted/Biennial)	0	1,000,000	0	0	0	1,000,000	0	0	0	0	0	0
f. Hard-Rock Federal Funds (Restricted/Biennial/OTO)	0	0	3,000,000	0	0	3,000,000	0	0	0	0	0	0
g. SB 449 — Environmental Rehabilitation and Response (Restricted/Biennial)	0	125,000	0	0	0	125,000	0	0	0	0	0	0
h. Major Facility Siting Act Projects (Restricted/Biennial/OTO)	0	300,000	0	0	0	300,000	0	0	0	0	0	0
i. Abandoned Vehicle Operating Costs (Restricted/OTO)	0	172,230	0	0	0	172,230	0	172,230	0	0	0	172,230
j. Public Water Supply Equipment (Restricted/OTO)	0	15,000	0	0	0	15,000	0	15,000	0	0	0	15,000
k. Hard-Rock Equipment (Restricted/OTO)	0	8,990	0	0	0	8,990	0	0	0	0	0	0
l. Solid Waste Database Conversion (OTO)	50,000	50,000	0	0	0	100,000	15,000	15,000	0	0	0	30,000
m. Zortman/Landusky Long-Term Water Treatment Trust (Restricted/OTO)	0	0	0	0	0	0	0	540,000	0	0	0	540,000
n. SB 484 — Hard-Rock Mining Reclamation, Operation, and Maintenance (Restricted/Biennial)	0	4,000,000	0	0	0	4,000,000	0	0	0	0	0	0
o. SB 167 — Sanitation in Subdivision Grants to Counties (Restricted)	0	204,000	0	0	0	204,000	0	204,000	0	0	0	204,000
Total	4,303,046	53,440,656	24,781,622	0	0	82,525,324	3,914,857	14,005,296	21,062,008	0	0	38,982,161
							3,856,289					38,923,693

Items 2, 4, and 5 include a total of \$177,855 for the 2003 biennium for the Montana natural resources information system. Quarterly payments must be made upon receipt of the bills from the state library, up to the total amount appropriated.

Item 2 includes a reduction in fiscal year 2003 of \$6,146 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The department may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.

Fiscal 2002				Fiscal 2003			
General Fund	State Special Revenue	Federal Special Revenue	Total	General Fund	State Special Revenue	Federal Special Revenue	Total

Item 2 includes a reduction of \$13,278 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 66.67% reduction in the fiscal year 2003 budget for equipment expenses. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 2 includes a reduction of \$39,144 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the agency. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 2d is contingent upon receipt of environmental protection agency 104b(3) ecosystem protection grant funds for the purposes of water quality monitoring and assessment activities. Upon receipt, the department shall contract with the Flathead Lake biological monitoring station for up to \$100,000 of these funds in support of department priority total maximum daily load monitoring and assessment projects.

Item 2e is contingent upon passage and approval of Senate Bill No. 506. The funds appropriated in item 2d are from the alternative energy revolving loan account created in Senate Bill No. 506. The funding must be spent for administration of the loan program subject to restrictions provided in Senate Bill No. 506.

Item 5 includes a reduction in general fund money of \$7,328 in fiscal year 2002 and \$7,328 in fiscal year 2003. This reduction is the equivalent of an 8% reduction in fiscal year 2000 base budget travel expenses. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans.

Item 5 includes a reduction of \$21,608 in fiscal year 2002 and \$21,683 in fiscal year 2003 of general fund money. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans. The office of budget and program planning shall provide a report that details reallocation to the legislative finance committee by October 15 of each fiscal year.

Item 5g is contingent upon passage and approval of Senate Bill No. 449.

Item 5m includes a restricted, one-time-only appropriation of up to \$540,000 from state special revenue funds in fiscal year 2003 that have been transferred from the resource indemnity trust fund. The appropriation is contingent upon the state treasurer's certification to the office of budget and program planning and to the legislative finance committee that the trust balance is in excess of \$100 million. Upon meeting the contingency in fiscal year 2003, the office of budget and program planning is authorized to transfer up to \$540,000 in cash from the resource indemnity trust fund to a state special revenue fund to be used to purchase federal debt obligation securities that mature in June 2017 to partially fund the long-term water treatment trust for the former Zortman and Landusky mines.

Item 5n is contingent upon passage and approval of Senate Bill No. 484.

Item 5o is contingent upon passage and approval of Senate Bill No. 167.

The department is authorized to decrease federal special revenue in the pollution control and the drinking water revolving fund loan programs and increase state special revenue by a like amount within the special administration account.

DEPARTMENT OF LIVESTOCK (5603)

1. Centralized Services Program (01)	14,748	1,028,923	116,009	0	0	1,159,680	47,416	1,054,776	87,157	0	0	1,159,349	1,158,508
a. Legislative Audit (Restricted/Biennial)	2,724	26,563	4,768	0	0	34,055	0	0	0	0	0	0	0
b. Laboratory Information System Equipment/Installation (OTO)	0	96,200	10,000	0	0	106,200	0	0	0	0	0	0	0
c. Board of Horseracing	0	237,913	0	0	0	237,913	0	241,877	0	0	0	241,877	
d. Legislative Audit — Board of Horseracing (Restricted/Biennial)	0	450	0	0	0	450	0	0	0	0	0	0	0
2. Diagnostic Laboratory Program (03)	190,933	1,194,465	11,115	0	0	1,396,513	199,949	1,212,404	17,371	0	0	1,429,724	1,414,635
3. Animal Health Program (04)	0	680,445	0	0	0	680,445	0	710,510	0	0	0	710,510	
a. Bison Federal Cooperative Agreement (Restricted/OTO)	0	0	651,310	0	0	651,310	0	651,310	0	0	0	651,310	
b. Disease Outbreak (Restricted/OTO)	0	177,823	0	0	0	177,823	0	177,823	0	0	0	177,823	

	Fiscal 2002				Fiscal 2003				
	General Fund	State Special Revenue	Federal Special Revenue	Other	General Fund	State Special Revenue	Federal Special Revenue	Other	Total
c. Greater Yellowstone Interagency Brucellosis Committee (Restricted/OTO)									
0	0	0	127,600	0	0	0	143,211	0	143,211
4. Milk and Egg Program (05)									
0	242,143	24,758	0	0	0	246,775	24,762	0	271,537
5. Inspection and Control Program (06)									
0	2,608,699	39,244	0	0	0	2,594,838	39,381	0	2,634,219
a. Brand Rerecord (Restricted/OTO)									
0	45,654	0	0	0	0	0	0	0	0
6. Predator Control Program (08)									
0	435,235	0	0	0	0	442,718	0	0	442,718
7. Meat and Poultry Inspection Program (10)									
395,716	1,756	397,475	0	0	400,683	1,756	402,441	0	804,880
8. Milk Control Bureau (37)									
0	186,643	0	0	0	0	186,501	0	0	186,501
Total									
604,121	6,962,912	1,382,279	0	0	609,948	6,869,978	1,365,633	0	8,844,659
					602,118				8,827,700

The department shall record separately all personal services, operating expenses, equipment, and capital expenditures related to bison control for all programs in which any resources are expended for that purpose on the state accounting, budgeting, and human resources system in a manner so that those expenditures may be readily derived and shall create a summary report. The department shall provide an annual report by program to the legislative fiscal analyst and the office of budget and program planning of all expenditures related to bison control.

Item 1 includes a reduction of \$4,398 in fiscal year 2002 and \$4,413 in fiscal year 2003 of general fund money. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans. The office of budget and program planning shall provide a report that details reallocation to the legislative finance committee by October 15 of each fiscal year.

Item 1 includes a reduction in fiscal year 2003 of \$841 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The department may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.

Item 2 includes a reduction of \$6,089 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the agency. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION (5706)

[illegible]

	Fiscal 2002				Fiscal 2003			
	General Fund	State Special Revenue	Federal Special Revenue	Other	Total	General Fund	State Special Revenue	Federal Special Revenue
1,822,848	1,497,854	161,651	0	0	3,482,353	1,741,762	1,584,972	161,651
a. Irrigation Assistance (OTO)	140,000	0	0	0	140,000	150,000	0	0
b. Dry Prairie Rural Water Project (OTO)	0	99,720	0	0	99,720	0	99,720	0
c. North Central Montana Regional Water Authority (OTO)	125,000	0	0	0	125,000	125,000	0	0
d. Eastern Plains Resource Conservation and Development (OTO)	0	25,000	0	0	25,000	0	25,000	0
e. Gallatin Resource Conservation and Development (OTO)	15,000	0	0	0	15,000	15,000	0	0
f. Sheridan County Conservation District (OTO)	0	0	0	0	0	35,000	0	0
g. Coal Tax Allocation to Conservation Districts (Biennial)	0	100,000	0	0	100,000	0	0	0
h. Grass Conservation Commission (Biennial)	45,000	51,508	0	0	96,508	0	0	0
i. Regional Water System Coordinator (OTO)	0	52,054	0	0	52,054	0	52,054	0
4. Water Resources Division (24)	5,930,069	1,016,253	160,035	0	7,106,357	5,991,483	1,019,340	160,733
a. State Water Project Rehabilitation (Restricted/Biennial/OTO)	0	3,600,000	0	0	3,600,000	0	0	0
b. Dam Safety Improvement (Restricted/OTO)	0	0	81,845	0	81,845	0	0	82,177
c. Water Well Litigation (Restricted)	0	16,000	0	0	16,000	0	16,000	0
d. Water Right Permit Verification (OTO)	0	170,000	0	0	170,000	0	145,000	0
e. Flood Damage Reduction (Restricted/OTO)	0	0	169,748	0	169,748	0	0	169,786
f. Broadwater Hydropower Facility (OTO)	0	62,000	0	0	62,000	0	32,000	0
g. HB 397 — Clark Fork River Task Force (OTO)	0	0	0	0	0	0	120,000	0
5. Reserved Water Rights Compact Commission (25)	724,261	0	0	0	724,261	726,624	0	0
a. Equipment Replacement (OTO)	6,000	0	0	0	6,000	10,500	0	0
6. Forestry and Trust Lands (35)	6,056,464	10,922,550	1,055,209	0	18,034,223	6,093,328	11,034,040	1,064,587
a. Fire Protection Assessment Software Rewrite (Restricted/OTO)	79,200	40,800	0	0	120,000	0	0	0

	Fiscal 2002				Fiscal 2003			
	General Fund	State Special Revenue	Federal Special Revenue	Other	General Fund	State Special Revenue	Federal Special Revenue	Other
b. Federal Fire Reimbursement (Restricted)	0	0	229,684	0	0	0	229,684	0
c. Phase II/ Slash Programming (OTO)	23,600	0	0	0	0	0	0	0
d. Remote Weather Station (OTO)	8,710	4,290	0	0	0	0	0	0
e. Forest Health Monitoring Program (Restricted/OTO)	0	0	78,000	0	0	0	78,000	0
f. Forest Rehabilitation (OTO)	0	177,500	0	0	0	140,500	0	0
g. Replacement Equipment (OTO)	0	15,000	0	0	0	17,000	0	0
h. Habitat Conservation Plan (Restricted/Biennial/OTO)	0	0	200,000	0	0	0	0	0
i. Homeowner Defensible Space Audits (Biennial/OTO)	0	0	200,000	0	0	0	0	0
j. Private Forest Landowner Assistance (Restricted/Biennial/OTO)	0	0	350,000	0	0	0	0	0
k. SB 31 — Revise State Trust Land Laws	0	5,000	0	0	0	5,000	0	0
l. SB 354 — Full Compensation for School Trust for Natural Areas	0	0	0	0	0	35,000	0	0
m. SB 495 — Purchase of Public School Fund Mineral Production Rights (Restricted/Biennial/OTO)	0	0	0	0	0	0	0	0
75,000,000								
Total	91,598,702	19,496,847	2,816,922	0	16,490,318	15,991,645	2,051,618	0

34,523,581
34,031,640

All remaining proceeds in excess of \$100 million in the resource indemnity trust fund, up to \$100,000, must be appropriated in fiscal year 2003 to the department based upon a split of two-thirds for conservation district grant projects and one-third for irrigation grants. The appropriation is contingent upon the governor's certification that the trust balance is in excess of \$100 million. Upon meeting if the contingency is met in fiscal year 2003, the office of budget and program planning is authorized to transfer up \$100,000 in cash from the resource indemnity trust fund to a state special revenue fund to be used for these purposes. Further, the cash for these purposes this purpose cannot be transferred until \$500,000 \$1 million has been transferred for a fund switch in item 3, \$300,000 has been transferred for the purpose of weed eradication, \$540,000 has been transferred for the purpose of purchasing securities for water treatment at the former Zortman and Landusky mines, and \$120,000 has been transferred to conduct for the Clark Fork River study.

Item 1 includes a reduction in fiscal year 2003 of \$28,167 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The department may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.

Item 1 includes a reduction of \$260,840 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 66.67% reduction in the fiscal year 2003 budget for equipment expenses. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 1 includes a reduction of \$152,934 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the agency. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 1 includes a reduction in general fund money of \$33,468 in fiscal year 2002 and \$33,468 in fiscal year 2003. This reduction is the equivalent of a 10% reduction in fiscal year 2000 base budget travel expenses. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans.

Item 1 includes a reduction of \$107,169 in fiscal year 2002 and \$107,543 in fiscal year 2003 of general fund money. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans. The office of budget and program planning shall provide a report that details reallocation to the legislative finance committee by October 15 of each fiscal year.

	Fiscal 2002			Fiscal 2003		
	General Fund	State Special Revenue	Federal Special Revenue	General Fund	State Special Revenue	Federal Special Revenue
34,055	0	0	0	0	0	0
b. Electronic Transactions Strategic Planning Consulting Services (OTO)						
0	79,000	0	39,000	0	30,414	0
2. Agricultural Sciences Division (30)						
95,175	4,554,865	421,962	0	97,137	4,537,272	423,377
a. Federal Special Grants (OTO)						
0	0	100,000	0	0	0	0
b. Organic Certification Program (Restricted/OTO)						
41,567	0	0	0	41,680	0	0
c. Federal Special Grants (Biennial)						
0	0	2,000,000	0	0	0	0
d. Weed Control Program (Restricted)						
101,341	0	0	0	101,337	0	0
e. SB 326 --- Weed Control Program (Restricted/OTO)						
0	0	0	0	0	0	0
3. Agricultural Development Division (50)						
353,758	3,184,793	45,710	267,859	356,635	3,147,491	45,710
a. Rail Transportation Technical Assistance (Restricted/Biennial/OTO)						
0	50,000	0	0	0	0	0
Total	791,394	8,315,131	2,636,485	785,968	8,647,914	637,742
				764,943	8,254,014	323,147

It is the intent of the legislature that the department use sources other than the general fund to fund operations of the organic certification program in the 2005 biennium. Item 1 includes a reduction in general fund money of \$4,827 in fiscal year 2002 and \$4,827 in fiscal year 2003. This reduction is the equivalent of a 13% reduction in fiscal year 2000 base budget travel expenses. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans.

Item 1 includes a reduction of \$2,715 in fiscal year 2002 and \$2,725 in fiscal year 2003 of general fund money. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans. The office of budget and program planning shall provide a report that details reallocation to the legislative finance committee by October 15 of each fiscal year.

Item 1 includes a reduction in fiscal year 2003 of \$3,208 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The department may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.

Item 1 includes a reduction of \$9,069 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 66.67% reduction in the fiscal year 2003 budget for equipment expenses. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 1 includes a reduction of \$7,848 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the agency. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 2 contains \$100,000 each year of the 2003 biennium from the department of transportation highway state special revenue fund for use in the weed control program. This appropriation is contingent upon passage and approval of Senate Bill No. 326.

The funds in item 2d are to be granted to governmental entities through an application process, to mitigate the impact of noxious weeds on private and state lands, except department of fish, wildlife, and parks lands, as a result of the activities of the department of fish, wildlife, and parks.

Item 2e contains a \$500,000 \$300,000 appropriation in fiscal year 2003 from state special revenue funds that are to be transferred from the resource indemnity trust fund. The \$500,000 \$300,000 appropriation is contingent upon the governor's certification that the trust balance is in excess of \$100 million. Upon meeting if the contingency is met in fiscal year 2003, the office of budget and program planning is authorized to transfer the \$500,000 \$300,000 in cash from the resource indemnity trust fund to a state special revenue fund to be used for this purpose. Item 2e is contingent upon passage and approval of Senate Bill No. 326.

	Fiscal 2002				Total	Fiscal 2003				Total	
	General Fund	State Special Revenue	Federal Special Revenue	Proprietary		Other	General Fund	State Special Revenue	Federal Special Revenue		Proprietary
14,389		1,701	18,566	0	0	34,656	0	0	0	0	0
b. Federal Building Rent											
0		0	0	0	0	0	57,838	55,038	0	0	112,876
c. Federal Building/Move (OTO)											
0		0	18,000	0	0	18,000	0	30,000	6,000	0	36,000

Total	1,755,988	3,000,512	65,748,147	0	0	70,504,647	1,742,041	2,130,585	68,631,076	0	0	73,503,703
							1,719,786	2,945,585				73,296,447

The reduction in funding for items 1, 2, 3, 8, 0, 11, 12, and 13 are contingent upon passage and approval of Senate Bill No. 445. If Senate Bill No. 445 is not passed and approved, the department is appropriated \$746,325 in general fund money, \$11,170,874 in state special revenue, and \$8,927,921 in proprietary authority in fiscal year 2002 and \$745,771 in general fund money, \$11,104,044 in state special revenue, and \$8,904,320 in proprietary authority in fiscal year 2003. The allocation among divisions and the realignment of language associated with the reallocation will be outlined in the Legislative Fiscal Division's 2003 Biennium Legislative Fiscal Report if Senate Bill No. 445 is not passed and approved.

It is the intent of the legislature that the money allocated in item 1 to the board of research and commercialization and other money allocated to the board from statutory appropriations and other sources be allocated by the board in a manner that gives preferences to applications that advance projects that have a positive impact on homeland security technologies, such as the R.A.V.E project that is developing and commercializing technologies for national airport security and is using Montana airports as pilot projects and Montana companies as vendors.

Item 6 includes a reduction of \$13,252 in fiscal year 2002 and \$13,298 in fiscal year 2003 of general fund money. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans. The office of budget and program planning shall provide a report that details reallocation to the legislative finance committee by October 15 of each fiscal year.

Item 2 includes a reduction of \$17,419 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the agency. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 4 includes a reduction in fiscal year 2003 of \$4,836 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The department may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.

Item 4 includes a reduction of \$185,000 in state special revenue, which is contingent upon passage and approval of House Bill No. 10, August 2002 Special Session.

It is the intent of the legislature that the department use lodging facility use taxes to fund \$515,961 in fiscal year 2002 and \$511,677 in fiscal year 2003 for the Montana historical society. This would be expended as follows:

	2002	2003				
MHS Lewis and Clark Bicentennial	\$116,477	\$111,124				
MHS Scriver Curator	28,484	25,553				
MHS Scriver Rent Storage	96,000	100,000				
MHS Lewis and Clark Bicentennial Commission	200,000	200,000				
MHS Historical Interpretation	75,000	75,000				
TOTAL SECTION C						
99,335,069	126,411,979	112,278,563	355,751	0	338,381,362	22,812,149
						22,259,004
						84,383,002
						84,383,002
						108,668,137
						323,147
						0
						215,633,290
						215,633,290

TOTAL SECTION C

	Fiscal 2002			Fiscal 2003			
	General Fund	State Special Revenue	Federal Special Revenue	General Fund	State Special Revenue	Federal Special Revenue	Total
D. CORRECTIONS AND PUBLIC SAFETY							
CRIME CONTROL DIVISION (4107)							
1. Justice System Support Service (01)							
678,872	0	596,273	0	1,274,145	0	593,356	0
							1,985,945
							1,263,032
a. Regional Juvenile Detention (Biennial)							
1,114,942	0	0	0	1,114,942	0	0	0
							1,114,942
b. Federal Pass-Through Grants (Biennial)							
0	0	9,525,213	0	9,525,213	0	0	0
							9,525,213
c. Computer Crime Unit (Biennial)							
0	0	149,670	0	149,670	0	0	0
							0
Total							
1,793,814	0	10,270,156	0	12,063,970	0	10,118,569	0
							11,925,400
							11,903,187
All remaining federal pass-through grant appropriations, including reversions, for the 2001 biennium are authorized to continue and are appropriated in fiscal year 2002 and fiscal year 2003.							
Item 1 includes a reduction in general fund money of \$2,352 in fiscal year 2002 and \$2,352 in fiscal year 2003. This reduction is the equivalent of an 11% reduction in fiscal year 2000 base budget travel expenses.							
Item 1 includes a reduction in fiscal year 2003 of \$2,571 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The division may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.							
Item 1 includes a reduction of \$1,575 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 66.67% reduction in the fiscal year 2003 budget for equipment expenses. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.							
Item 1 includes a reduction of \$18,067 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the division.							
The board of crime control shall update juvenile crime statistics from the child and adult protective services system on the board's web page semiannually.							
DEPARTMENT OF JUSTICE (4110)							
1. Legal Services Division (01)							
2,672,847	327,095	149,680	0	3,149,622	328,436	150,137	0
							3,168,058
							3,128,050
a. Major Litigation (Restricted/Biennial)							
200,000	0	0	0	200,000	0	0	0
							200,000
b. Crime Victim Benefits (Biennial)							
579,398	0	225,000	0	804,398	0	225,000	0
							806,300
c. HB 419 — Natural Resources Enforcement Program							
0	41,600	0	0	41,600	41,600	0	0
							41,600
d. Amber Alert System (Restricted/OTO)							
0	0	0	0	0	0	0	0
							75,000
2. Gambling Control Division (07)							
380,000	2,258,625	0	611,103	3,249,728	2,268,893	0	613,766
							3,262,659
							3,224,659
3. Motor Vehicle Division (12)							
8,191,905	432,194	0	0	8,624,099	432,194	0	0
							8,672,945
							8,548,505
a. HB 577 — Motor Vehicle IT Account (Biennial)							

	Fiscal 2002					Fiscal 2003						
	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
0	960,000	0	0	0	0	960,000	0	0	0	0	0	0
b. SB 334 — Driver Rehabilitation and Improvement Program												
0	33,148	0	0	0	0	33,148	0	32,778	0	0	0	32,778
4. Highway Patrol Division (13)												
1,039,779	17,050,446	964,494	0	0	0	19,054,719	1,072,796	17,349,960	971,207	0	0	19,393,963
							1,040,250					19,361,417
a. SB 358 — Access to Traffic Accident Reports												
0	16,574	0	0	0	0	16,574	0	13,946	0	0	0	13,946
b. HB 256 — Reckless or Careless Driving												
12,073	0	0	0	0	0	12,073	12,073	0	0	0	0	12,073
5. Division of Criminal Investigation (18)												
2,307,322	317,557	1,340,519	0	0	0	3,965,398	2,391,541	318,802	1,346,416	0	0	3,986,759
							2,121,344					3,786,562
6. County Attorney Payroll (19)												
1,695,751	0	0	0	0	0	1,695,751	1,749,594	0	0	0	0	1,749,594
							1,689,594					1,689,594
7. Law Enforcement Academy Division (22)												
1,104,721	50,000	199,607	0	0	0	1,354,328	1,089,970	50,000	199,722	0	0	1,339,692
8. Central Services Division (28)												
276,527	354,448	0	12,888	0	0	643,863	275,326	352,914	0	12,831	0	641,071
a. Legislative Audit (Restricted/Biennial)												
28,149	33,447	0	1,216	0	0	60,812	0	0	0	0	0	0
9. Information Technology Services Division (29)												
2,700,395	656,401	771,611	10,199	0	0	4,138,606	2,714,182	656,387	771,594	10,199	0	4,159,368
							2,471,859		771,595			3,910,040
10. Forensic Sciences Division (32)												
2,085,304	303,205	185,673	0	0	0	2,574,182	2,074,816	303,205	185,973	0	0	2,563,994
							2,034,816					2,523,994
a. HB 359 — Expand Collection of DNA Evidence												
24,150	0	0	0	0	0	24,150	24,150	0	0	0	0	24,150
Total												
23,296,321	22,834,740	3,836,584	635,406	0	0	50,603,051	23,425,984	22,149,115	3,850,049	636,796	0	50,061,944

The appropriations for legislative contract authority are subject to all of the following provisions:

- (1) Legislative contract authority applies only to federal and private funds.
- (2) Legislative contract authority expenditures must be reported on the state accounting records and kept separate from present law operations. In preparing the 2005 biennium executive budget, the office of budget and program planning may not include expenditures from this item in the present law base.
- (3) A report must be submitted by the department to the legislative fiscal analyst following the end of each fiscal year, listing legislative contract authority grants received and the amount of expenditures and FTE for each grant.

The legislature recognizes that the costs associated with litigation in which the legal services division is required to provide representation to the state of Montana may exceed the appropriation provided. In that event, the department will need to request a supplemental appropriation from the 2003 legislature to adequately represent the state.

Item 1 includes a reduction in fiscal year 2003 of \$40,008 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.

Item 1c is contingent upon passage and approval of House Bill No. 419.

Fiscal 2002				Fiscal 2003				
General Fund	State Special Revenue	Federal Special Revenue	Total	General Fund	State Special Revenue	Federal Special Revenue	Total	
<p>The appropriation for the gambling control division contains funding for the automated accounting and reporting system (AARS). The general fund appropriation of \$380,000 in each year of the 2003 biennium reflects continuation of a 5-year general fund commitment for this project through the 2005 biennium. It is the intent of the legislature that an annual general fund commitment of \$236,250 be continued in each year of the 2007 biennium. If the long-range building program committee bill, to use intercap funding for AARS implementation, is passed by the 2001 legislature, a portion of these appropriations may be used to make debt service payments.</p> <p>The department is appropriated up to \$2,800,000 for the biennium from state special revenue funds for the purchase of system interface boards to be used for the implementation of the AARS.</p> <p>Item 2 includes a reduction in fiscal year 2003 of \$38,000 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.</p> <p>Item 2 includes a reduction of \$567,203 in general fund money in fiscal year 2002 and \$569,866 in fiscal year 2003 and an increase in proprietary funds of \$611,103 in fiscal year 2002 and \$613,766 in fiscal year 2003. These reductions and increases are contingent upon passage and approval of House Bill No. 399.</p> <p>Item 3 includes a reduction in general fund money of \$31,502 in fiscal year 2002 and \$31,502 in fiscal year 2003. This reduction is the equivalent of a 10% reduction in fiscal year 2000 base budget travel expenses. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans.</p> <p>Item 3 includes \$5,738 of general fund money in fiscal year 2002 that is contingent upon passage and approval of House Bill No. 124.</p> <p>Fiscal year 2003 state special revenue in item 3 includes \$6,636,799 of the fund balance from revenue sources not restricted to certain purposes by the Montana constitution.</p> <p>Item 3 includes a reduction in fiscal year 2003 of \$220,488 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.</p> <p>Item 3a is contingent upon passage and approval of House Bill No. 577 and is for:</p> <p>(1) debt service payments or repayment of any loan incurred for the creation of a new information technology system for motor vehicles; or</p> <p>(2) payment of costs directly incurred in the creation and support of the new motor vehicle information technology system.</p> <p>Item 4 includes a reduction in fiscal year 2003 of \$32,546 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.</p> <p>Item 4a is contingent upon passage and approval of Senate Bill No. 358.</p> <p>Item 4b is contingent upon passage and approval of House Bill No. 256.</p> <p>There is appropriated from the highway patrol retirement clearing account for payments to the Montana highway patrol pension fund the amount required for this transfer, not to exceed \$1,500,000 for each fiscal year.</p> <p>Item 5 includes a reduction in fiscal year 2003 of \$200,197 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.</p> <p>It is the intent of the legislature that the agency not use general fund money in item 5 for the purchase of new or replacement automobiles unless an existing vehicle becomes inoperable to the point at which replacement is warranted.</p> <p>Item 6 includes a reduction in fiscal year 2003 of \$60,000 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.</p> <p>Item 9 includes a reduction of \$127,892 in fiscal year 2002 and \$128,336 in fiscal year 2003 of general fund money. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans. The office of budget and program planning shall provide a report that details reallocation to the legislative finance committee by October 15 of each fiscal year.</p> <p>Item 9 includes a reduction in fiscal year 2003 of \$31,972 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The department may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.</p> <p>Item 9 includes a reduction of \$58,505 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 66.67% reduction in the fiscal year 2003 budget for equipment expenses in all divisions of the department except the forensic sciences division. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.</p> <p>Item 9 includes a reduction of \$151,846 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the agency. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.</p> <p>Item 10 includes a reduction in fiscal year 2003 of \$40,000 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.</p> <p>If Senate Bill No. 328 is not passed and approved, the extradition and transportation of prisoners program will remain in the department of justice as program 30 and there is appropriated \$177,724 of general fund money in fiscal year 2002 and \$178,936 of general fund money in fiscal year 2003. In addition, if Senate Bill No. 328 is not passed and approved, the amendment to the reference copy of [this act] striking the language accompanying the extradition and transportation of prisoners program in the department of justice is void.</p> <p>Item 10 includes \$12,000 in general fund money for fiscal year 2002 for lab accreditation. The use of the funds for accreditation is contingent on passage of a federal requirement that a lab needs to be accredited to receive federal funds.</p> <p>Item 10a is contingent upon passage and approval of House Bill No. 359.</p> <p>PUBLIC SERVICE REGULATION (4201)</p> <p>1. Public Service Regulation Program (01)</p>								
0	2,525,654	13,667	0	0	2,505,912	13,666	0	2,519,578

	Fiscal 2002					Fiscal 2003						
	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
a. Legislative Audit (Restricted/Biennial)	0	17,027	0	0	0	17,027	0	0	0	0	0	0
b. Consultants (Biennial)	0	100,000	0	0	0	100,000	0	0	0	0	0	0
c. Universal Access Program (Biennial)	0	683,454	0	0	0	683,454	0	0	0	0	0	0
Total	0	3,326,135	13,667	0	0	3,339,802	0	2,505,912	13,666	0	0	2,519,578
DEPARTMENT OF CORRECTIONS (6401)												
1. Administration and Support Services (01)	14,797,936	4,321	0	67,057	0	14,869,314	14,406,654	1,358	0	65,181	0	14,473,193
a. Legislative Audit (Restricted/Biennial)	91,947	0	0	0	0	91,947	14,076,318	0	0	0	0	14,142,857
b. Establishment of Criteria and Treatment of Hepatitis C	103,510	0	0	0	0	103,510	567,909	0	0	0	0	567,909
2. Community Corrections (02)	32,621,208	573,890	428,987	0	0	33,624,085	34,345,320	573,890	428,987	0	0	35,348,197
3. Secure Facilities (03)	48,134,474	1,152,279	533,362	0	0	49,820,115	47,083,654	1,152,595	556,968	0	0	48,793,217
4. Montana Correctional Enterprises (04)	1,014,403	0	0	516,831	0	1,531,234	1,016,834	0	0	518,241	0	1,535,075
Total	96,763,478	1,730,490	962,349	583,888	0	100,040,205	97,420,371	1,727,843	985,955	583,422	0	100,717,591
							97,090,035					100,387,255

Because the percentage of American Indians in our state's correctional system ranges from 17% in the men's prison to up to 40% in the women's prison, it is important that the department maintain open communications and liaisons with the Montana tribes. Therefore, the department shall designate one of its current full-time equivalent employees in the administration and support services division to have included as a part of the employee's job responsibilities the duty to serve as a liaison with the Montana tribes and the department regarding American Indian inmate issues and concerns in all correctional facilities, including contracted bed facilities.

The department is encouraged to use telemedicine technology to the fullest extent possible to effect savings within the department.
The legislature encourages the department to use the authority that it possesses under current statute to allow early discharge of offenders subject to the jurisdiction of the department for the purpose of relieving the projected cost overrun caused by high prison populations.

Item 1 includes a reduction of \$401,402 in fiscal year 2002 and \$402,801 in fiscal year 2003 of general fund money. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans. The office of budget and program planning shall provide a report that details reallocation to the legislative finance committee by October 15 of each fiscal year.

Item 1 includes a reduction in fiscal year 2003 of \$111,748 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The department may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.

Item 1 includes a reduction of \$218,589 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 66.67% reduction in the fiscal year 2003 budget for equipment expenses. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 2 includes a reduction in general fund money of \$107,057 in fiscal year 2002 and \$107,057 in fiscal year 2003. This reduction is the equivalent of a 24% reduction in fiscal year 2000 base budget travel expenses. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans.

It is the intent of the legislature that the agency not use general fund money in items 2 and 3 for the purchase of new or replacement automobiles unless an existing vehicle becomes inoperable to the point at which replacement is warranted.

Fiscal 2002					Fiscal 2003						
General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
If Senate Bill No. 489 is not passed and approved, general fund money in item 2 is reduced by \$667,156 in fiscal year 2002 and by \$2,165,633 in fiscal year 2003. If Senate Bill No. 489 is not passed and approved, general fund money in item 3 is increased by \$4 million in fiscal year 2003. The department shall negotiate with the department of public health and human services and the Montana food bank for any costs incurred by the Montana correctional enterprises in operating the food bank program.											
DEPARTMENT OF LABOR AND INDUSTRY (6602)											
1. Job Service Division (01)											
691,355	6,701,113	24,354,444	6,832	0	31,753,744	693,752	6,735,551	24,371,112	6,832	0	31,807,247
						17,561	3,316,347	28,482,112			31,822,852
a. Legislative Audit (Restricted/Biennial)											
958	58,072	6,543	0	0	65,573	0	0	0	0	0	0
b. Research and Analysis Bureau Additional FTE (OTO)											
0	0	82,903	0	0	82,903	0	0	83,194	0	0	83,194
c. Displaced Homemaker Program											
235,605	0	0	0	0	235,605	235,605	0	0	0	0	235,605
						18,423	219,765				238,188
d. SB 322 — Natural Resource Worker Education and Retraining											
0	0	0	0	0	0	0	150,000	0	0	0	150,000
2. Unemployment Insurance Division (02)											
0	288,653	6,186,716	0	0	6,475,369	0	288,653	6,236,208	0	0	6,524,861
a. Legislative Audit (Restricted/Biennial)											
0	0	20,506	0	0	20,506	0	0	0	0	0	0
b. Unemployment Insurance Modified FTE to Permanent (OTO)											
0	0	108,206	0	0	108,206	0	0	108,583	0	0	108,583
3. Commissioner's Office/Centralized Services Division (03)											
149,746	530,987	445,678	52,540	0	1,178,951	150,348	536,048	447,421	52,819	0	1,186,636
a. Legislative Audit (Restricted/Biennial)											
196	3,164	0	0	0	3,360	0	0	0	0	0	0
4. Employment Relations Division (04)											
886,698	5,815,940	761,902	0	0	7,464,540	891,317	5,849,545	765,250	0	0	7,506,112
						880,441					7,495,236
a. Legislative Audit (Restricted/Biennial)											
2,990	14,812	2,660	0	0	20,462	0	0	0	0	0	0
b. Human Rights Workload (Restricted/OTO)											
21,159	0	0	0	0	21,159	21,227	0	0	0	0	21,227
5. Professional and Occupational Licensing (05)											
0	5,272,276	0	0	0	5,272,276	0	5,202,573	0	0	0	5,202,573
a. Legal Contingency (Restricted/OTO)											
0	70,000	0	0	0	70,000	0	70,000	0	0	0	70,000
6. Weights and Measures Bureau (06)											
0	678,238	0	0	0	678,238	0	679,843	0	0	0	679,843
a. Legislative Audit (Restricted/Biennial)											
0	1,573	0	0	0	1,573	0	0	0	0	0	0
7. Montana Community Services (07)											
24,895	28,191	2,964,714	0	0	3,017,800	24,895	28,200	2,966,472	0	0	3,019,567

	Fiscal 2002			Total	Fiscal 2003			Total
	General Fund	State Special Revenue	Federal Special Revenue		General Fund	State Special Revenue	Federal Special Revenue	
a. Legislative Audit (Restricted/Biennial)	0	0	862	862	0	0	0	0
8. Building Codes Bureau (08)	0	3,278,325	0	3,278,325	0	3,295,263	0	3,295,263
a. Legislative Audit (Restricted/Biennial)	0	6,427	0	6,427	0	0	0	0
b. Building Codes Vehicle Replacement (OTO)	0	45,118	0	45,118	0	46,118	0	46,118
9. Workers' Compensation Court (09)	0	422,967	0	422,967	0	428,938	0	428,938
a. Legislative Audit (Restricted/Biennial)	0	1,034	0	1,034	0	0	0	0
Total	2,013,602	23,216,890	34,935,134	60,224,998	2,017,144	23,310,732	34,978,240	60,365,767

It is the intent of the legislature that the rates charged for centralized services functions be agreed to by the United States department of labor federal cost negotiator. It is anticipated that the assessment will be approximately 9% and 10% of a program's actual personal services costs incurred in fiscal year 2002 and fiscal year 2003.

Item 1 includes a \$672,609 reduction in general fund money for fiscal year 2003 for the job service division to be replaced by employment security account state special revenue funds in the amount of \$691,796 administered by the department. The increased amount includes the House Bill No. 13, Chapter 553, Laws of 2001, allocation. Item 1 also includes a \$4,111,000 reduction in the employment security account state special revenue funds to be replaced by "Reed Act" (a part of the Employment Security Administrative Financing Act of 1954) federal special revenue funds.

Item 1 includes a reduction in fiscal year 2003 of \$3,582 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The department may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.

Item 1c includes a \$217,182 reduction in general fund money for fiscal year 2003 for the displaced homemaker program to be replaced by employment security account state special revenue funds in the amount of \$219,765 administered by the department. The increased amount includes the House Bill No. 13, Chapter 553, Laws of 2001, allocation.

Item 1d is contingent upon passage and approval of Senate Bill No. 322.

Item 3 includes a reduction in general fund money of \$923 in fiscal year 2002 and \$923 in fiscal year 2003. This reduction is the equivalent of a 1% reduction in fiscal year 2000 base budget travel expenses. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans.

Item 3 includes a reduction of \$7,635 in fiscal year 2002 and \$7,661 in fiscal year 2003 of general fund money. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans. The office of budget and program planning shall provide a report that details reallocation to the legislative finance committee by October 15 of each fiscal year.

Item 4 includes a reduction of \$10,876 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the agency. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

The professional and occupational licensing staff and operating budget designated as proprietary will transfer into this department with professional and occupational licensing (05).

Items 5, 6a, 6, 6a, 8, 8a, and 8b are contingent upon passage and approval of Senate Bill No. 445.

It is the intent of the legislature that the internal service rates charged for program 05, program 06, and program 08 will be approximately 9% and 10% of a program's actual personal services costs incurred in fiscal year 2002 and fiscal year 2003.

The department shall report to the 2003 legislature on options for a fleet management plan to stabilize vehicle replacement costs within the building codes division.

Item 8 contains state special revenue authority of \$70,389 in fiscal year 2002 and \$52,889 in fiscal year 2003, including funding for 1.5 full-time equivalent employees each year, that is contingent upon passage and approval of House Bill No. 437.

Item 8 contains state special revenue authority of \$100,925 in fiscal year 2002 and \$151,950 in fiscal year 2003, including funding for 1.5 full-time equivalent employees in fiscal year 2002 and 3 full-time equivalent employees in fiscal year 2003, that is contingent upon passage and approval of Senate Bill No. 242.

DEPARTMENT OF MILITARY AFFAIRS (6701)

1. Operations Support (01)

Fiscal 2002						Fiscal 2003					
General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
367,042	0	45,697	0	0	412,739	365,807	0	50,448	0	0	416,255
a. Legislative Audit (Restricted/Biennial)											
414	0	0	0	0	414	0	0	0	0	0	0
b. Operations Support Compliance Specialist (OTO)											
0	0	36,548	0	0	36,548	0	0	37,153	0	0	37,153
2. Challenge Program (02)											
a. Legislative Audit (Restricted/Biennial)											
4,136	0	6,203	0	0	10,338	0	0	0	0	0	0
b. Youth Challenge Program (OTO)											
1,114,027	0	1,671,040	0	0	2,785,067	1,118,162	0	1,677,243	0	0	2,795,405
						34,803	1,123,240				2,835,286
3. Scholarship Program (03)											
a. National Guard Scholarship Program (Biennial/OTO)											
250,000	0	0	0	0	250,000	0	0	0	0	0	0
4. Army National Guard Program (12)											
1,181,699	124,400	3,640,929	0	0	4,947,028	1,240,481	222,800	3,738,366	0	0	5,201,647
						1,193,147					5,154,313
a. Legislative Audit (Restricted/Biennial)											
6,410	0	16,746	0	0	23,156	0	0	0	0	0	0
5. Air National Guard Program (13)											
200,334	0	2,020,763	0	0	2,221,097	208,550	0	2,016,840	0	0	2,225,390
a. Legislative Audit (Restricted/Biennial)											
931	0	4,446	0	0	5,377	0	0	0	0	0	0
b. Firefighters Retirement (Restricted/Biennial)											
0	0	5,686	0	0	5,686	0	0	0	0	0	0
6. Disaster Coordination Response (21)											
505,789	21,597	1,766,785	0	0	2,294,151	508,462	21,597	1,327,478	0	0	1,857,537
a. Legislative Audit (Restricted/Biennial)											
620	0	620	0	0	1,240	0	0	0	0	0	0
b. Disaster and Emergency Services Server Replacement (OTO)											
0	0	0	0	0	0	12,679	0	4,651	0	0	17,330
7. Veterans' Affairs Program (31)											
689,897	161,513	0	0	0	851,410	685,468	161,614	0	0	0	847,082
a. Legislative Audit (Restricted/Biennial)											
827	0	0	0	0	827	0	0	0	0	0	0
b. Veterans' Affairs Copier Replacement (OTO)											
4,000	0	0	0	0	4,000	0	0	0	0	0	0
Total											
4,326,105	307,510	9,215,463	0	0	13,849,078	4,130,609	406,011	8,852,179	0	0	13,397,799
						3,008,916	1,529,251				13,390,346

The terrorism/weapons of mass destruction program and the associated 1 FTE are terminated when federal funding for the program is terminated.
The general fund appropriation in item 2b may be used only for matching funds for Montana residents.

Fiscal 2002				Fiscal 2003							
General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
<i>Item 2b includes a \$1,083,359 reduction in general fund money in fiscal year 2003 for the youth challenge program to be replaced by employment security account state special revenue funds in the amount of \$1,123,240, which are administered by the department of labor and industry. The increased amount includes the House Bill No. 13, Chapter 553, Laws of 2001, allocation.</i>											
<i>Item 4 includes a reduction in general fund money of \$14,018 in fiscal year 2002 and \$14,018 in fiscal year 2003. This reduction is the equivalent of a 13% reduction in fiscal year 2000 base budget travel expenses. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans.</i>											
<i>Item 4 includes a reduction of \$20,312 in fiscal year 2002 and \$20,381 in fiscal year 2003 of general fund money. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans. The office of budget and program planning shall provide a report that details reallocation to the legislative finance committee by October 15 of each fiscal year.</i>											
<i>Item 4 includes a reduction in fiscal year 2003 of \$3,735 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The department may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.</i>											
<i>Item 4 includes a reduction of \$13,389 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 66.67% reduction in the fiscal year 2003 budget for equipment expenses. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.</i>											
<i>Item 4 includes a reduction of \$30,210 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the agency. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.</i>											
<i>Item 5b is contingent upon passage and approval of Senate Bill No. 289.</i>											
TOTAL SECTION D											
128,193,320	51,415,765	59,233,353	1,278,666	0	240,121,104	128,809,989	50,999,513	58,798,658	1,279,869	0	238,988,079
						119,083,135	54,660,213	62,909,659			237,932,876

	Fiscal 2002				Fiscal 2003			
	General Fund	State Special Revenue	Federal Special Revenue	Other	Total	General Fund	State Special Revenue	Federal Special Revenue
n. Comprehensive School Reform (Biennial)	0	0	963,061	0	963,061	0	0	963,061
o. Emergency School Renovation (Biennial)	0	0	5,428,913	0	5,428,913	0	0	5,428,913
p. SB 390 — Transfer to School Flexibility Account (Restricted/Biennial/OTO)	0	0	0	0	0	5,000,000	0	0
						2,200,000		
q. School Flexibility Account (Restricted/Biennial/OTO)	0	0	0	0	0	0	5,983,000	0
							4,300,000	
Total	497,081,228	931,100	104,806,515	73,133	602,891,976	596,661,701	6,014,178	108,342,447
				0		503,038,100	5,231,178	73,133

It is the intent of the legislature that the advanced driver education program be funded through a proprietary account.

Item 1 includes a reduction in general fund money of \$19,069 in fiscal year 2002 and \$19,069 in fiscal year 2003. This reduction is the equivalent of a 13.5% reduction in fiscal 2000 base budget travel expenses.

Item 1 includes a reduction of \$24,236 in fiscal year 2002 and \$24,322 in fiscal year 2003 of general fund money. The office may reallocate this reduction in funding among programs when developing 2003 biennium operating plans. The office of budget and program planning shall provide a report that details reallocation to the legislative finance committee by October 15 of each fiscal year.

Item 1 includes \$37,500 of general fund money in fiscal year 2002 and \$12,500 of general fund money in fiscal year 2003 that are contingent upon passage and approval of House Bill No. 124.

Item 1 includes a reduction in fiscal year 2003 of \$4,104 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The office may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.

Item 1 includes a reduction of \$25,067 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 66.67% reduction in the fiscal year 2003 budget for equipment expenses. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 1 includes a reduction in fiscal year 2003 of \$128,896 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.

Item 1c is a biennial appropriation.

Item 1d is to provide up to 10 teachers each fiscal year who obtain certification by the national board for professional teaching standards with a one-time stipend of \$3,000.

Item 1d includes a reduction in fiscal year 2003 of \$27,000 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.

Items 2a through 2j and items 2l through 2o are biennial appropriations.

Item 2a is reduced to \$392,189,000 in general fund money only if both House Bill No. 4 and House Bill No. 7, August 2002 Special Session, are passed an approved. If only House Bill No. 7 is passed and approved, item 2a is reduced to \$395,089,000 in general fund money.

Item 2c includes a reduction of \$388,534 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.

Item 2d includes a reduction in fiscal year 2003 of \$250,000 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.

Money deposited in the general fund for fiscal year 2001 under 20-9-343(3)(a)(ii) must be transferred to the school technology account in the state special revenue fund in fiscal year 2002.

If House Bill No. 41 is not passed and approved in the form that statutorily appropriates timber harvest funds to schools for technology acquisitions, there is a restricted, biennial general fund appropriation of \$1,250,000 in fiscal year 2002 and \$1,600,000 in fiscal year 2003. In addition, if House Bill No. 41 is not passed and approved, the amendment to the reference copy of [this act] striking the language accompanying the timber harvest appropriation and inserting language is void.

The office of public instruction may distribute funds from the appropriation in item 2e to public school districts for the purpose of providing educational costs of children with significant behavioral or physical needs.

If Senate Bill No. 495 is enjoined before April 1, 2002, items 2p and 2q are void.

Item 2p includes a reduction in fiscal year 2003 of \$184,000 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.

	Fiscal 2002				Fiscal 2003			
	General Fund	State Special Revenue	Federal Special Revenue	Total	General Fund	State Special Revenue	Federal Special Revenue	Total
<p>Item 4 includes \$111,000 in fiscal year 2003 of state special revenue. The school may reallocate this funding among programs as necessary.</p> <p>Item 4 includes \$25,000 in fiscal year 2003 of general fund money. The school may reallocate this funding among programs as necessary.</p> <p>Item 4 includes a reduction in fiscal year 2003 of \$6,453 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The school may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.</p> <p>Item 4 includes a reduction of \$19,201 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 66.67% reduction in the fiscal year 2003 budget for equipment expenses. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.</p> <p>Item 4 includes a reduction of \$34,294 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the school. The school may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.</p>								
MONTANA ARTS COUNCIL (5114)								
1. Promotion of the Arts (01)								
314,029	140,829	477,500	0	932,358	302,551	137,416	477,500	917,467
a. Legislative Audit (Restricted/Biennial)								
19,460	0	0	0	19,460	0	0	0	0
Total								
333,489	140,829	477,500	0	951,818	302,551	137,416	477,500	917,467
All federal funds in item 1 are biennial appropriations.								
Item 1 includes a reduction in general fund money of \$1,132 in fiscal year 2002 and \$1,132 in fiscal year 2003. This reduction is the equivalent of a 16% reduction in fiscal year 2000 base budget travel expenses.								
Item 1 includes a reduction in fiscal year 2003 of \$507 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002.								
Item 1 includes a reduction of \$3,025 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the Montana arts council.								
MONTANA STATE LIBRARY COMMISSION (5115)								
1. State Library Operations (01)								
1,790,071	177,710	1,200,694	0	3,168,475	1,531,278	177,710	750,694	2,459,682
a. Legislative Audit (Restricted/Biennial)								
17,027	0	0	0	17,027	0	0	0	0
b. Periodical Electronic Database (OTO)								
82,500	117,500	0	0	200,000	82,500	117,500	0	200,000
2. Natural Resources Information System (07)								
84,838	470,348	30,000	0	585,186	88,980	495,341	30,000	614,321
a. Stable Natural Resources Information System Funding (OTO)								
4,513	140,487	0	0	145,000	4,513	115,487	0	120,000
b. Legislative Contract Authority (Biennial/OTO)								
0	25,000	475,000	0	500,000	0	0	0	0
Total								
1,978,949	931,045	1,705,694	0	4,615,688	1,707,271	906,938	780,694	3,394,903
Item 1 includes biennial appropriations of \$251,138 in general fund money and \$889,102 in federal funds for grants to local libraries.								
1,686,332 845,942 3,312,968								

	Fiscal 2002			Total	Fiscal 2003			Total
	General Fund	State Special Revenue	Federal Special Revenue		General Fund	State Special Revenue	Federal Special Revenue	
<i>Item 1 includes a reduction in fiscal year 2003 of \$2,421 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The society may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.</i>								
<i>Item 1 includes a reduction of \$5,297 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 66.67% reduction in the fiscal year 2003 budget for equipment expenses. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.</i>								
<i>Item 1 includes a reduction of \$18,033 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the society. The society may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.</i>								
The legislative intent of item 2a is to acquire equipment based on the newest available technology within the available funding limit at the time of purchase.								
It is the intent of the legislature that the department of commerce use lodging facility use taxes to fund \$515,961 in fiscal year 2002 and \$511,677 in fiscal year 2003 for the Montana historical society. This would be expended as follows:								
		2002	2003					
Lewis and Clark Bicentennial		\$116,477	\$111,124					
Scraper Curator		28,484	25,553					
Scraper Rent Storage		96,000	100,000					
Lewis and Clark Bicentennial Commission		200,000	200,000					
Historical Interpretation		75,000	75,000					
MONTANA UNIVERSITY SYSTEM, INCLUDING OFFICE OF THE COMMISSIONER OF HIGHER EDUCATION AND EDUCATIONAL UNITS AND AGENCIES (5100)								
1. OCHE — Administration (01)								
1,228,557	0	0	0	1,228,557	1,948,480	0	0	1,948,480
					1,090,258			1,090,258
a. Legislative Audit (Restricted/Biennial)								
35,514	0	0	0	35,514	0	0	0	0
2. OCHE — Student Assistance (02)								
8,299,390	0	151,531	0	8,450,921	8,477,908	0	151,531	8,628,739
					8,332,791			8,484,322
3. OCHE — Dwight D. Eisenhower Mathematics and Science Education Act (03)								
0	0	312,744	0	312,744	0	312,744	0	312,744
4. OCHE — Community College Assistance (04) (Biennial)								
5,651,748	0	0	0	5,651,748	5,679,546	0	0	5,679,546
					5,410,220			5,410,220
a. Legislative Audit (Restricted/Biennial)								
33,920	0	0	0	33,920	0	0	0	0
5. OCHE — Talent Search (06)								
92,846	0	2,993,405	0	3,086,251	92,349	0	3,129,072	3,221,421
					89,346			3,218,418
6. OCHE — C.D. Perkins Administration (08)								
78,748	0	7,765,831	0	7,844,579	78,746	0	6,125,761	6,204,507
7. OCHE — Appropriation Distribution Transfers (09)								
99,801,741	12,232,248	0	0	112,033,989	100,312,988	12,400,460	0	112,713,448
					91,174,717			103,575,177
a. Legislative Audit (Restricted/Biennial)								
228,503	0	0	0	228,503	0	0	0	0
b. Increase State Support \$100 per Resident Student per Year								
2,500,000	0	0	0	2,500,000	5,000,000	0	0	5,000,000
c. Agricultural Experiment Station (Restricted)								

	Fiscal 2002			Fiscal 2003			
	General Fund	State Special Revenue	Federal Special Revenue	General Fund	State Special Revenue	Federal Special Revenue	Total
9,830,460	0	0	0	9,866,910	0	0	9,866,910
d. Institute for Biobased Products and Food Science				9,244,354			9,244,354
200,000	0	0	0	200,000	0	0	200,000
e. Extension Service (Restricted)							
4,087,026	0	0	0	4,102,993	0	0	4,102,993
				3,895,356			3,895,356
f. Montana Beef Network (Restricted/Biennial/OTO)							
90,000	0	0	0	90,000	0	0	90,000
g. Forestry and Conservation Experiment Station (Restricted)							
897,428	0	0	0	900,784	0	0	900,784
				857,776			857,776
h. Bureau of Mines and Geology (Restricted)							
1,533,807	600,000	0	0	1,538,621	666,000	0	2,204,621
				1,462,375			2,128,375
i. Fire Services Training School (Restricted)							
497,630	0	0	0	507,950	0	0	507,950
				483,133			483,133
j. Flathead Lake Biological Station — University of Montana-Missoula (Restricted/Biennial/OTO)							
100,000	0	0	0	100,000	0	0	100,000
				96,500			96,500
8. Tribal College Assistance Program (11) (Biennial)							
100,000	0	0	0	100,000	0	0	100,000
96,500				96,500			96,500
9. OCHE — Guaranteed Student Loan (12)							
0	0	0	0	0	0	0	0
a. Legislative Audit (Restricted/Biennial)							
0	0	0	0	0	0	0	0
10. OCHE — Board of Regents (13)							
43,631	0	0	0	43,631	0	0	43,631
Total							
135,330,949	12,832,248	45,896,799	0	138,236,406	13,066,460	47,095,890	198,397,756
135,327,449				194,056,496			187,711,553

Items 1 through 3 and 5 through 7b are a single biennial lump-sum appropriation.

Total audit costs of the office of the commissioner of higher education are estimated to be \$35,514.

Item 1 includes a reduction in general fund money of \$11,255 in fiscal year 2002 and \$11,265 in fiscal year 2003. This reduction is the equivalent of a 17% reduction in fiscal year 2000 base budget travel expenses. The agency may reallocate this reduction in funding among programs when developing 2003 biennium operating plans.

Item 1 includes a reduction of \$99,292 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 appropriation for the program.

Item 1 includes a reduction in fiscal year 2003 of \$53,930 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.

Item 2 includes a reduction in fiscal year 2003 of \$144,417 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.

Total Summitnet costs are estimated to be \$25,000 each year for the community colleges. The general fund appropriation for the community colleges provides 53% of the total Summitnet costs. The remaining 47% of these costs must be paid from funds other than those appropriated in item 4. Summitnet costs for each year may not exceed \$8,000 each for Dawson and Miles community colleges and \$9,000 for Flathead Valley community college.

Fiscal 2002			Fiscal 2003			
General Fund	State Special Revenue	Federal Special Revenue	General Fund	State Special Revenue	Federal Special Revenue	Total
					Proprietary	Other

The general fund appropriation in item 4 is calculated to fund education in the community colleges for an estimated 2,030 resident FTE students in fiscal year 2002 and 2,040 resident FTE students in fiscal year 2003. If total resident FTE student enrollment in the community colleges is greater than the estimated number for the biennium, the community colleges shall serve the additional students without a state general fund contribution. If actual resident FTE student enrollment is less than the estimated number for the biennium, the commissioner of higher education shall revert \$2,792 in general fund money to the state for each estimated FTE student who did not enroll.

Item 4 includes a reduction of \$56,795 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 appropriation for the program.

Item 4 includes a reduction in fiscal year 2003 of \$212,531 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.

Total audit costs are estimated to be \$64,000 for the community colleges for the biennium. The general fund appropriation for each community college provides 53% of the total audit costs in fiscal year 2002. The remaining 47% of these costs must be paid from funds other than those appropriated in item 4a. Audit costs for the biennium may not exceed \$20,000 each for Dawson and Miles community colleges and \$24,000 for Flathead Valley community college.

Item 5 includes a reduction in fiscal year 2003 of \$4,003 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002.

Item 7 includes a reduction of \$779,826 in fiscal year 2002 and \$782,537 in fiscal year 2003 of general fund money. The board of regents may reallocate this reduction in funding among university system units, as defined in 17-7-102(13), when developing 2003 biennium operating plans. The office of budget and program planning shall provide a report that details reallocation to the legislative finance committee by October 15 of each fiscal year.

The decision of the legislature to deny funds for initiatives or budget requests proposed by the governor and the board of regents for the 2003 biennium does not imply an intent to prohibit the board of regents from implementing those initiatives unless specifically stated otherwise in [this act].

The general fund and millage appropriation in item 7 is calculated to fund education in the 4-year units and the colleges of technology for an estimated 25,004 resident FTE students in fiscal 2002 and 25,207 resident FTE students in fiscal 2003. If actual resident student enrollment is greater than the estimated number for the biennium, the university system shall serve the additional students without a state general fund contribution. If actual resident student enrollment is less than the estimated number for the biennium, the commissioner of higher education shall revert \$1,914 in general fund money to the state for each estimated FTE student who did not enroll.

Revenue appropriated to the Montana university system units and colleges of technology includes:

- (1) state special revenue from interest earnings of \$1,913,590 each year of the 2003 biennium;
- (2) tuition revenue of \$110,420,878 in fiscal year 2002 and \$109,775,339 in fiscal year 2003; and
- (3) other revenue of \$1,013,738 each year of the 2003 biennium.

These amounts are appropriated for current unrestricted operating expenses as a biennial lump-sum appropriation and are in addition to the funds shown in item 7.

Item 7 includes \$428,660 in each year of the biennium that must be transferred to the energy conservation program account and used to retire the general obligation bonds sold to fund energy improvements through the state energy conservation program. The costs of this transfer in each year of the biennium are: university of Montana-Missoula, \$201,100; Montana tech of the university of Montana, \$28,000; Montana state university-northern, \$97,000; Montana state university-Billings, \$91,800; and western Montana college of the university of Montana, \$10,760.

Item 7 includes a total of \$44,253 of general fund money for the 2003 biennium for the Montana natural resources information system (NRIS). The Montana university system shall pay an additional \$44,253 for the 2003 biennium in current funds in support of NRIS. Quarterly payments must be made upon receipt of the bills from the state library, up to the total amount appropriated.

Item 7 includes increases of \$194,088 of general fund money in fiscal year 2002 and of \$194,088 of general fund money in fiscal year 2003 and reductions of \$194,088 of state special revenue in fiscal year 2002 and of \$194,088 of state special revenue in fiscal year 2003 that are contingent upon passage and approval of House Bill No. 124.

Item 7 includes a reduction of \$3.4 million in fiscal year 2003 of general fund money. Although the legislature acknowledges the constitutional power of the board of regents to manage and control the Montana university system, it is the intent of the legislature that state support of intercollegiate athletics be reduced and that replacement funding, if desired, be from nonstate sources.

Item 7 includes a reduction in fiscal year 2003 of \$149,466 in general fund money and represents the equivalent of 25% of state-funded office supplies expenditures in fiscal year 2002.

Item 7 includes a reduction of \$1,054,130 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 appropriation for the unit.

Item 7 includes a reduction in fiscal year 2003 of \$4,076,955 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.

Total audit costs are estimated to be \$681,092 for the university system other than the office of the commissioner of higher education. Each unit shall pay a percentage of these costs from funds other than those appropriated in item 7a.

Item 7b is intended by the legislature to be used to increase state support for resident student FTE at the university units each year of the 2003 biennium.

University system unit is defined in 17-7-102(13). For all university system units, except the office of the commissioner of higher education, all funds (other than plant funds appropriated in House Bills No. 5 and 14, relating to long-range building, and current unrestricted operating funds) are appropriated contingent on approval of the comprehensive program budget by the board of regents by October 1 of each year. For all university system 4-year units and colleges of technology, all funds, other than funds appropriated in House Bills No. 5 and 14 for

Fiscal 2002					Fiscal 2003				
General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Total

long-range building programs, are appropriated as a lump sum for the biennium contingent upon approval of the comprehensive program budget by the board of regents by October 1 of each year. The board of regents shall allocate the appropriations to the individual units according to board policy. The budget must contain detailed revenue and expenditure and anticipated fund balances of current funds, loan funds, endowment funds, and plant funds. After the board of regents approves operating budgets, transfers between units may be made only with the approval of the board of regents. Transfers and related justifications must be submitted to the office of budget and program planning and to the legislative fiscal analyst.

All university system units, except the office of the commissioner of higher education, shall account for expenditures consistently within programs and funds across all units and shall use the standards of accounting and reporting, as described by the national college and university business officers, as a minimum for achieving consistency.

The Montana university system, except the office of the commissioner of higher education and the community colleges, shall allow the office of budget and program planning and the legislative fiscal division banner access to the entire university system's banner information system, including data warehouses, except:

- (1) the ability to change data;
- (2) portions of the banner information system that are the property of third parties (such as alumni associations or foundations); and
- (3) information pertaining to individual students or individual employees that is protected by Article II, sections 9 and 10, of the Montana constitution, 20-25-515, or the Family Educational Rights and Privacy Act of 1974, 20 U.S.C. 1232g.

Subsections (1) through (3) in no way limit the power of the legislative fiscal analyst or the budget director to receive and examine copies of any state government information, including confidential records, in accordance with 5-12-303 and 17-1-132.

All financial data recorded in the various funds in banner must agree with the financial data as recorded on the statewide accounting, budgeting, and human resources system (SABHRS), including:

- (1) all statutory and restricted appropriations must be clearly segregated on SABHRS; and
- (2) the budgeted personal services for current unrestricted operating funds on banner must tie to the operating plan for expenditure of funds appropriated in [this act] and other bills, as approved by the board of regents.

The Montana university system shall provide the electronic data required to upload human resource data for the current unrestricted operating funds into the MBARS system. The salary and benefit data provided must reflect approved board of regents operating budgets.

Revenue appropriated to the agricultural experiment station includes:

- (1) state special revenue from interest earnings and other revenue of \$184,239 in fiscal year 2002 and \$184,705 in fiscal year 2003;
- (2) federal revenue of \$2,022,369 in fiscal year 2002 and \$2,030,499 in fiscal year 2003; and
- (3) proprietary revenue from sales of \$937,627 in fiscal year 2002 and \$942,135 in fiscal year 2003. These amounts are appropriated for current unrestricted operating expenses and are in addition to the funds shown in item 7c.

Item 7c includes a reduction in fiscal year 2003 of \$17,548 in general fund money and represents the equivalent of 25% of state-funded office supplies expenditures in fiscal year 2002.

Item 7c includes a reduction of \$124,432 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 66.67% reduction in the state portion of fiscal year 2002 equipment expenditures.

Item 7c includes a reduction of \$100,668 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 appropriation for the unit.

Item 7c includes a reduction in fiscal year 2003 of \$379,808 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.

The general fund money in item 7d is appropriated with the condition that, prior to the expenditure of the general fund money, the Montana agricultural experiment station collect \$140,000 of private, nonpublic money each year of the 2003 biennium for the purpose of supporting the institute for biobased products and food science.

Revenue appropriated to the extension service includes:

- (1) state special revenue from interest earnings of \$46,892 in fiscal year 2002 and \$47,070 in fiscal year 2003; and
- (2) federal revenue of \$2,268,928 in fiscal year 2002 and \$2,278,065 in fiscal year 2003. These amounts are appropriated for current unrestricted operating expenses and are in addition to the funds shown in item 7e.

Item 7e includes a reduction in fiscal year 2003 of \$3,883 in general fund money and represents the equivalent of 25% of state-funded office supplies expenditures in fiscal year 2002.

Item 7e includes a reduction of \$41,930 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 appropriation for the unit.

Item 7e includes a reduction in fiscal year 2003 of \$161,824 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.

General fund money of \$90,000 each year of the 2003 biennium in item 7f is a biennial, one-time-only appropriation for one staff person and for expenses for the Montana beef network within the extension service.

Interest revenue of \$4,923 in each year of the 2003 biennium is appropriated to the forestry and conservation experiment station for current unrestricted operating expenses. This amount is in addition to that shown in item 7g.

Item 7g includes a reduction in fiscal year 2003 of \$504 in general fund money and represents the equivalent of 25% of state-funded office supplies expenditures in fiscal year 2002.

	Fiscal 2002				Fiscal 2003					
	General Fund	State Special Revenue	Federal Special Revenue	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Other	Total
Item 7g includes a reduction of \$9,008 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 appropriation for the unit.										
Item 7g includes a reduction in fiscal year 2003 of \$33,496 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.										
Proprietary revenue of \$27,310 each year of the 2003 biennium is appropriated to the bureau of mines and geology for current unrestricted operating expenses. This amount is in addition to that shown in item 7h.										
Item 7h includes a reduction in fiscal year 2003 of \$3,401 in general fund and represents the equivalent of 25% of state-funded office supplies expenditures in fiscal year 2002.										
Item 7h includes a reduction of \$374 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 66.67% reduction in the state portion of fiscal year 2002 equipment expenditures.										
Item 7h includes a reduction of \$15,386 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 appropriation for the bureau.										
Item 7h includes a reduction in fiscal year 2003 of \$57,085 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.										
Interest revenue of \$4,097 each year of the 2003 biennium is appropriated to the fire services training school for current unrestricted operating expenses. This amount is in addition to that shown in item 7i.										
Item 7i includes a reduction in fiscal year 2003 of \$413 in general fund money and represents the equivalent of 25% of state-funded office supplies expenditures in fiscal year 2002.										
Item 7i includes a reduction of \$5,073 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 appropriation for the unit.										
Item 7i includes a reduction in fiscal year 2003 of \$18,631 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.										
Item 7j includes a reduction in fiscal year 2003 of \$3,500 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.										
Item 8 includes a reduction in the 2003 biennium of \$3,500 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.										
TOTAL SECTION E										
640-180,359	15,817,277	153,837,683	920,333	0	810,755,645	652,310,748	21,101,267	157,650,909	921,915	0
640,176,852					810,752,145	637,970,454	20,369,171			831,984,839
										816,912,449
TOTAL STATE FUNDING										
1,186,326,635	409,945,792	1,370,342,465	13,458,781	933,055	2,061,006,728	1,130,510,329	272,711,500	1,387,282,333	13,402,745	933,055
1,185,831,058		1,367,577,904			2,977,746,590	1,102,205,771	381,485,939	1,393,670,034	13,212,745	2,891,507,544

Section 17. Rates. Internal service fund type fees and charges established by the legislature for the 2003 biennium in compliance with 17-7-123(6)(b) are as follows:

	<u>Fiscal Year 2002</u>	<u>Fiscal Year 2003</u>
Secretary of State - 3201		
1. Administrative Rules of Montana Fees		
a. Administrative Rules of Montana (per set)	\$350.00	\$350.00
b. Quarterly Updates of ARM (per year)	\$250.00	\$250.00
c. Extra Titles (per book)	\$50.00	\$50.00
d. Quarterly Updates of Extra Titles (per year per title)	\$50.00	\$50.00
e. Montana Administrative Register (per subscription)	\$300.00	\$300.00
f. Agency Filing Fee for Pages of Register Publication (per page)	\$40.00	\$40.00
g. Binders (per binder)	\$5.00	\$5.00
h. Lapsed Subscription Fee ARM (per subscription)	\$50.00	\$50.00
i. Lapsed Subscription Fee Extra Title (per title)	\$10.00	\$10.00
j. Fax Fee - 10 Pages or Less (first 10 pages)	\$3.00	\$3.00
k. Fax Fee - Additional Pages Over 10 Pages (per page)	\$0.25	\$0.25
l. Research Fee (per hour)	\$12.00	\$12.00
m. Set Cleanup Fee (per hour)	\$12.00	\$12.00
n. Missing Page Fee (per page up to cost of set)	\$0.50	\$0.50
o. Rule Edit Fee (per hour)	\$15.00	\$15.00
p. Late Filing Fee (less than 2 hours) (per occurrence)	\$5.00	\$5.00
q. Late Filing Fee (2 hours to 4 hours) (per occurrence)	\$10.00	\$10.00
r. Late Filing Fee (more than 4 hours) (per occurrence)	\$25.00	\$25.00
2. Records Management Fees (based on 2-6-203)		
a. 16MM Microfilm		
Less than 250,000	\$38.58	\$38.58
Nontypical extreme weight and size	\$38.58	\$38.58
8" x 11"; 8" x 14" paperwork	\$30.00	\$30.00
8" x 11"; 8" x 14" computer printout	\$30.00	\$30.00
Extreme size and weight variance	\$31.50	\$31.50
Cards - fixed weight and color	\$15.75	\$15.75
Cards - mixed weight and color	\$26.25	\$26.25
b. 35MM Microfilm		
L (per 12" x 12") aerial photos	\$68.25	\$68.25
16" x 20" bound books	\$63.00	\$63.00
24" x 34" newspapers	\$115.50	\$115.50
24" x 34" bound newspapers	\$136.50	\$136.50
48" x 48" blueprints/maps	\$288.75	\$288.75
c. 105MM Microfilm		
8" x 11" paperwork	\$68.25	\$68.25
8" x 11"; 8" x 14" computer printout	\$77.17	\$77.17
Cards (per 1,000)	\$77.17	\$77.17
Minimum filing charge	\$37.50	\$37.50
d. Film Processing		
16mm, 100 foot roll	\$3.62	\$3.62
16mm, 215 foot roll	\$7.10	\$7.10
35mm, 100 foot roll	\$6.35	\$6.35
16mm, 3M cartridges	\$4.73	\$4.73
e. Film Inspecting		
100 foot roll inspection (per roll)	\$3.65	\$3.65
215 foot roll inspection (per roll)	\$5.23	\$5.23
Film splicing	\$0.79	\$0.79
3M cartridge loading	\$2.25	\$2.25

f. Duplication		
16mm, 100 foot roll (per roll)	\$6.81	\$6.81
16mm, 215 foot roll (per roll)	\$13.03	\$13.03
35mm, 100 foot roll (per roll)	\$9.21	\$9.21
105mm, microfiche or jackets	\$0.16	\$0.16
Reader/printer copies	\$0.50	\$0.50
Photocopies/own labor	\$0.10	\$0.10
Photocopies/our labor	\$0.50	\$0.50
16mm, 100 foot roll (per roll)	\$9.92	\$9.92
35mm, 100 foot roll (per roll)	\$14.54	\$14.54
g. Jacket Loading		
16mm, 5 channel jacket	\$0.3150	\$0.3150
Agency's own jacket	\$0.2887	\$0.2887
35mm, 1 and 2 channel jacket	\$0.3150	\$0.3150
Loading 16mm aperture card	\$0.2625	\$0.2625
Jacket title	\$0.2625	\$0.2625
Jacket notching	\$0.0525	\$0.0525
h. Miscellaneous		
Fiche title (per title)	\$0.2625	\$0.2625
Indexing and document prep/hour (per hour)	\$18.00	\$18.00
Camera rental (per day)	\$95.00	\$95.00
i. Supplies		
NMI reader bulbs (per bulb)	\$10.75	\$10.75
16mm, 100 foot roll film (per roll)	\$6.68	\$6.68
16mm, 215 foot roll film (per roll)	\$12.95	\$12.95
35mm, 100 foot roll film (per roll)	\$13.95	\$13.95
j. Records Center Services		
Storage (per square foot per month)	\$0.2565	\$0.2565
Storage (per cubic foot per month)	\$0.295	\$0.295
Retrievals (per occurrence)	\$1.50	\$1.50
Emergency retrievals (per occurrence)	\$6.25	\$6.25
Large retrievals, delivery, interfiling (per occurrence)	\$22.50	\$22.50
Records disposal (per hour)	\$22.50	\$22.50
Shredding confidential records (per hour)	\$23.05	\$23.05
k. Records Center Boxes		
Records storage boxes: standard size A (per box)	\$1.34	\$1.34
Drawing and map storage boxes: size C (per box)	\$1.34	\$1.34
l. Imaging Services		
Imaging (per image)	\$0.055	\$0.055
Indexing and document preparation (per hour)	\$18.00	\$18.00
Department of Transportation - 5401		
1. State Motor Pool		
a. Class 02 (small utilities)		
per hour assigned	\$1.597	\$1.600
per mile operated	\$0.022	\$0.022
b. Class 04 (large utilities)		
per hour assigned	\$2.116	\$2.335
per mile operated	\$0.056	\$0.056
c. Class 06 (passenger cars)		
per hour assigned	\$1.501	\$1.643
per mile operated	\$0.054	\$0.054
d. Class 07 (small and standard size pickups)		
per hour assigned	\$1.270	\$1.260
per mile operated	\$0.030	\$0.030

e. Class 11 (large 4X4 pickups)		
per hour assigned	\$1.832	\$2.334
per mile operated	\$0.056	\$0.056
f. Class 12 (vans)		
per hour assigned	\$1.449	\$1.632
per mile operated	\$0.071	\$0.071
2. Equipment Program		
a. 60-Day Working Capital		
Department of Revenue - 5801		
1. Customer Service Center		
a. Delinquent Account Collection Fee (percent of amount collected)	10.0%	10.0%
Department of Administration - 6101		
1. Accounting and Management Support		
a. Legal Services Unit	Share (percent) of Total Revenue Each Program or Division Will Pay	
Teachers' Retirement	20%	20%
Employee Benefits Program	26%	26%
Risk Management and Tort Defense	2%	2%
General Services Division	7%	7%
Architecture and Engineering	18%	18%
Information Services Division	27%	27%
Total	100%	100%
b. Network Support Unit		
Programming cost	60-day working capital reserve	
Computer support (per computer)	\$714	\$732
Server support (per server)	\$1,072	\$1,098
c. Warrant Writing (per warrant)		
Mailer warrants	\$0.6170	\$0.6145
Nonmailers	\$0.2080	\$0.2055
Emergency warrant	\$4.1329	\$4.1320
Duplicate warrant	\$5.6632	\$5.6624
Direct deposits	\$0.1671	\$0.1660
Externals - printed from an outside system	\$0.1850	\$0.1825
d. Personnel Unit		
Allocation to supported divisions (per FTE basis)	\$88,262	\$92,691
e. SB 445 Indirect Costs - The department is authorized to spend up to \$294,208 in fiscal year 2002 and \$296,509 in fiscal year 2003 (proprietary funds) to implement the reorganization specified in Senate Bill No. 445.		
2. Procurement and Printing		
a. Publications and Graphics	60-day working capital reserve	
b. Central Stores	60-day working capital reserve	
c. Natural Gas Procurement	break-even (no reserve)	
d. Statewide Fueling Network (percent of gross purchases)	5.0%	5.0%
e. Statewide Procurement Card Program (per card)	\$1.00	\$1.00
3. Information Services Division		
a. Data Network Fee (per connected terminal per month)	\$72.60	\$72.60
b. Statewide Accounting, Budgeting, and Human Resources System (SABHRS) Allocation to Agencies	\$4,168,460	\$4,211,734
c. All Remaining Operations of the Division	45-day working capital reserve	
4. General Services Division		
a. Office Space Rent (per square foot)	\$4.77	\$4.88
b. Warehouse Space Rent (per square foot)	\$2.12	\$2.12

5. Mail and Distribution Bureau

- | | | |
|--|--------------------------------|-----------|
| a. Interagency Mail (total amount allocated to agencies) | \$171,655 | \$171,655 |
| b. All Other Operations Except for Interagency Mail | 60-day working capital reserve | |

6. State Personnel Division

- | | | |
|--|-----------|-----------|
| a. Intergovernmental Training (per hour) | \$113 | \$113 |
| b. State Payroll Unit (total amount allocated to agencies) | \$356,958 | \$366,248 |

c. Employee Benefits Program - Because state employee benefit plans require a large number of individual premiums for a variety of benefit options, because the portion of the premiums paid by the state is statutorily established in 2-18-703, and because the employee-paid portion of these premiums must be adjusted from time to time to meet the requirements of 2-18-812(1) to maintain state employee group benefit plans on an actuarially sound basis, the legislature defines "rates and fees" for state employee benefit programs to mean the state contribution toward employee group benefits provided for in 2-18-703 and the employee contribution toward employee group benefits necessary to meet the requirements of 2-18-812(1).

7. Risk Management and Tort Defense

- | | | |
|--|-------------|-------------|
| a. General Liability (total allocation to agencies) | \$5,362,500 | \$5,775,000 |
| b. Automobile Liability (total allocation to agencies) | \$1,137,500 | \$1,225,000 |
| c. Property (total allocation to agencies) | \$1,200,500 | \$1,270,930 |
| d. Airport/Aircraft (total allocation to agencies) | \$116,567 | \$128,222 |
| e. All Other Lines (total allocation to agencies) | \$239,413 | \$258,508 |

Fish, Wildlife & Parks - 5201

1. Administration and Finance (% markup)

- | | | |
|-----------------------|-----|-----|
| a. Warehouse Overhead | 14% | 14% |
|-----------------------|-----|-----|

2. Vehicle Account Rates Per Mile

- | | | |
|-----------------------------|--------|--------|
| a. Sedans | \$0.20 | \$0.24 |
| b. Suburban - 4x4 | \$0.33 | \$0.35 |
| c. Vans 1/2 Ton | \$0.18 | \$0.21 |
| d. Vans 1/2 Ton Window | \$0.27 | \$0.32 |
| e. Pickup 1/2 Ton 2x4 | \$0.33 | \$0.34 |
| f. Pickup 3/4 Ton 4x4 V8 | \$0.20 | \$0.22 |
| g. Grounds Maintenance | \$0.75 | \$0.85 |
| h. Bronco 4x4 | \$0.24 | \$0.28 |
| i. Pickup 1/2 Ton 4x4 | \$0.27 | \$0.34 |
| j. Pickup 3/4 Ton 4x4 HD | \$0.30 | \$0.35 |
| k. Pickup 3/4 Ton 4x4 HD XC | \$0.35 | \$0.38 |
| l. Pickup 1 Ton 4x4 | \$0.33 | \$0.37 |
| m. Pickup 3/4 Ton 4x4 MD | \$0.24 | \$0.27 |
| n. Pickup 3/4 Ton 4x4 MD XC | \$0.29 | \$0.33 |
| o. Pickup 1/2 Ton 4x4 LD XC | \$0.29 | \$0.33 |

3. Aircraft Per Hour Rates

- | | | |
|----------------------------|----------|----------|
| a. Two-Place Single Engine | \$ 54.02 | \$ 56.72 |
| b. Partnavia | \$257.24 | \$270.10 |
| c. Turbine Helicopters | \$313.58 | \$329.26 |

4. Parks - Capitol Grounds Maintenance

\$0.3696/sq. ft.	\$0.3696/sq. ft.
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5. Duplicating - Number of Copies (includes paper)

- | | | |
|--------------|---------|---------|
| a. 1-20 | \$0.045 | \$0.050 |
| b. 21-100 | \$0.030 | \$0.035 |
| c. 101-1000 | \$0.025 | \$0.030 |
| d. 1001-5000 | \$0.020 | \$0.025 |

6. Bindery

- | | | |
|----------------------------|---------|---------|
| a. Collating (per sheet) | \$0.005 | \$0.005 |
| b. Hand Stapling (per set) | \$0.015 | \$0.015 |

c. Saddle Stitch (per set)	\$0.030	\$0.030
d. Folding (per sheet)	\$0.005	\$0.005
e. Punching (per sheet)	\$0.001	\$0.001
f. Cutting (per minute)	\$0.550	\$0.550
Department of Environmental Quality - 5301		
1. Central Management		
a. Expenses Against Personal Services	24%	24%
Department of Natural Resources and Conservation - 5706		
1. Air Operations Program		
a. Fixed Wing	\$95	\$95
b. Bell 206A Helicopter	\$355	\$355
c. UH-1 Huey Helicopter	\$875	\$875
Department of Commerce - 6501		
1. Local Government Services Bureau		
a. Local Government Assistance Administration Recharge	1.70%	1.70%
2. Board of Investments		
For purposes of [this act], the legislature defines "rates" as the total collections necessary to operate the board of investments as follows:		
a. Administration Charge (total)	\$2,860,200	\$2,805,200
3. Director's Office/Management Services		
a. Management Services Indirect Charge Rate	15.50%	15.50%
Department of Justice - 4110		
1. Agency Legal Services		
a. Attorney (per hour)	\$70	\$70
b. Investigator/Paralegal (per hour)	\$38	\$38
Department of Corrections - 6401		
1. Secure Facilities		
a. Cook/chill rate to MSP	\$1.80/meal	\$1.78/meal
b. Cook/chill rate to MSH	\$1.83/meal	\$1.82/meal
c. Cook/chill rate to TSCTC	\$1.83/meal	\$1.81/meal
d. Cook/chill rate to Riverside	\$2.79/meal	\$2.86/meal
e. Cook/chill rate to DUI facility	\$1.86/meal	\$1.84/meal
f. Cook/chill rate to Helena prerelease	\$2.43/meal	\$2.47/meal
2. Montana Corrections Enterprises		
a. Laundry rate to MSP	\$0.39/lb	\$0.39/lb
b. Laundry rate to MSH	\$0.38/lb	\$0.38/lb
c. Laundry rate to MDC	\$0.46/lb	\$0.46/lb
Department of Labor and Industry - 6602		
1. Centralized Services Division		
a. Cost Allocation Plan	9.44%	10.14%
2. Professional and Occupational Licensing		
a. House Bill No. 2 Programs Recharge Rate	38%	38%
Office of Public Instruction - 3501		
1. OPI Indirect Cost Pool	17%	17%
2. Advanced Driver Education		
a. Workshop Fees		
Full-day workshop/person	\$175.00 - \$200.00	
Half-day refresher/person	\$115.00 - \$125.00	
b. Facility Usage Fees		
Montana state government/day	\$85.00	
High school driver education		
Per year when track not in use	\$500.00	
Per day after hours and not in use	\$25.00	
Private nonprofit/day	\$200.00	
Commercial use/day	\$1,500.00 - \$2,000.00	

MONTANA UNIVERSITY SYSTEM - 5100

Because certain employee benefit plans require a large number of individual premiums for a variety of benefit options, because the portion of these premiums paid by the state is statutorily established in 2-18-703, and because the employee-paid portion of these premiums must be adjusted from time to time to maintain employee group benefit plans on an actuarially sound basis, the legislature defines rates and fees for Montana university system employee benefit programs to mean the state contribution toward employee group benefits provided for in 2-18-703 and the employee contribution toward employee group benefits necessary to maintain the employee group benefit plans on an actuarially sound basis."

Approved August 26, 2002

CHAPTER NO. 24

[SB 15]

AN ACT REDUCING THE IMPACT ON THE GENERAL FUND OF THE TAX CREDIT FOR CONTRIBUTIONS TO A QUALIFIED ENDOWMENT; TEMPORARILY REDUCING THE INDIVIDUAL INCOME TAX CREDIT FOR CONTRIBUTIONS TO A QUALIFIED ENDOWMENT TO 30 PERCENT; TEMPORARILY REDUCING THE CORPORATE TAX CREDIT FOR CHARITABLE CONTRIBUTIONS TO A QUALIFIED ENDOWMENT TO 13.3 PERCENT; TEMPORARILY REDUCING THE AMOUNT OF THE MAXIMUM CREDIT THAT CAN BE CLAIMED TO \$6,600; TEMPORARILY INCREASING THE TAX CREDITS FOR CONTRIBUTIONS TO A QUALIFIED ENDOWMENT TO OFFSET THE TEMPORARY DECREASES TO THE CREDITS; AMENDING SECTIONS 15-30-166, 15-30-167, 15-31-161, AND 15-31-162, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE, APPLICABILITY DATES, AND TERMINATION DATES.

Be it enacted by the Legislature of the State of Montana:

Section 1. Section 15-30-166, MCA, is amended to read:

"15-30-166. (Temporary) Credit for contributions to qualified endowment. (1) A taxpayer is allowed a tax credit against the taxes imposed by 15-30-103 or 15-31-101 in an amount equal to ~~40%~~ 30% of the present value of the aggregate amount of the charitable gift portion of a planned gift made by the taxpayer during the year to any qualified endowment. The maximum credit that may be claimed by a taxpayer for contributions made from all sources in a year is ~~\$10,000~~ \$6,600. The credit allowed under this section may not exceed the taxpayer's income tax liability.

(2) The credit allowed under this section may not be claimed by an individual taxpayer if the taxpayer has included the full amount of the contribution upon which the amount of the credit was computed as a deduction under 15-30-121(1) or 15-30-136(2).

(3) There is no carryback or carryforward of the credit permitted under this section, and the credit must be applied to the tax year in which the contribution is made. (Terminates December 31, 2007—sec. 5, Ch. 226, L. 2001.)"

Section 2. Section 15-30-166, MCA, is amended to read:

"15-30-166. (Temporary) Credit for contributions to qualified endowment. (1) A taxpayer is allowed a tax credit against the taxes imposed by 15-30-103 or 15-31-101 in an amount equal to ~~40%~~ 50% of the present value of the aggregate amount of the charitable gift portion of a planned gift made by the taxpayer during the year to any qualified endowment. The maximum credit that may be claimed by a taxpayer for contributions made from all sources in a year is ~~\$10,000~~ \$13,400. The credit allowed under this section may not exceed the taxpayer's income tax liability.

(2) The credit allowed under this section may not be claimed by an individual taxpayer if the taxpayer has included the full amount of the contribution upon which the amount of the credit was computed as a deduction under 15-30-121(1) or 15-30-136(2).

(3) There is no carryback or carryforward of the credit permitted under this section, and the credit must be applied to the tax year in which the contribution is made. (Terminates December 31, 2007—sec. 5, Ch. 226, L. 2001.)”

Section 3. Section 15-30-167, MCA, is amended to read:

“15-30-167. (Temporary) Beneficiaries of estates — credit for contribution to qualified endowment. A contribution to a qualified endowment, as defined in 15-30-165, by an estate qualifies for the credit provided in 15-30-166 if the contribution is a planned gift or in 15-31-161 if the contribution is an outright gift to a qualified endowment. Any credit not used by the estate may be attributed to each beneficiary of the estate in the same proportion used to report the beneficiary’s income from the estate for Montana income tax purposes. The maximum amount of credit that a beneficiary may claim is ~~\$10,000~~ \$6,600, subject to the limitation in 15-30-166(2), and the credit must be claimed in the year in which the contribution is made. The credit may not be carried forward or carried back. (Terminates December 31, 2007—sec. 5, Ch. 226, L. 2001.)”

Section 4. Section 15-30-167, MCA, is amended to read:

“15-30-167. (Temporary) Beneficiaries of estates — credit for contribution to qualified endowment. A contribution to a qualified endowment, as defined in 15-30-165, by an estate qualifies for the credit provided in 15-30-166 if the contribution is a planned gift or in 15-31-161 if the contribution is an outright gift to a qualified endowment. Any credit not used by the estate may be attributed to each beneficiary of the estate in the same proportion used to report the beneficiary’s income from the estate for Montana income tax purposes. The maximum amount of credit that a beneficiary may claim is ~~\$10,000~~ \$13,400, subject to the limitation in 15-30-166(2), and the credit must be claimed in the year in which the contribution is made. The credit may not be carried forward or carried back. (Terminates December 31, 2007—sec. 5, Ch. 226, L. 2001.)”

Section 5. Section 15-31-161, MCA, is amended to read:

“15-31-161. (Temporary) Credit for contribution by corporations to qualified endowment. A corporation is allowed a credit in an amount equal to ~~20%~~ 13.3% of a charitable gift against the taxes otherwise due under 15-31-101 for charitable contributions made to a qualified endowment, as defined in 15-30-165. The maximum credit that may be claimed by a corporation for contributions made from all sources in a year under this section is ~~\$10,000~~ \$6,600. The credit allowed under this section may not exceed the corporate taxpayer’s income tax liability. The credit allowed under this section may not be claimed by a corporation if the taxpayer has included the full amount of the contribution upon which the amount of the credit was computed as a deduction under 15-31-114. There is no carryback or carryforward of the credit permitted under this section, and the credit must be applied to the tax year in which the contribution is made. (Terminates December 31, 2007—sec. 5, Ch. 226, L. 2001.)”

Section 6. Section 15-31-161, MCA, is amended to read:

“15-31-161. (Temporary) Credit for contribution by corporations to qualified endowment. A corporation is allowed a credit in an amount equal to ~~20%~~ 26.7% of a charitable gift against the taxes otherwise due under 15-31-101 for charitable contributions made to a qualified endowment, as defined in 15-30-165. The maximum credit that may be claimed by a corporation for contributions made from all sources in a year under this section is ~~\$10,000~~ \$13,400. The credit allowed under this section may not exceed the corporate taxpayer’s income tax liability. The credit allowed under this section may not be claimed by a corporation if the taxpayer has included the full amount of the contribution upon which the amount of the credit was computed as a deduction under 15-31-114. There is no carryback or carryforward of the

credit permitted under this section, and the credit must be applied to the tax year in which the contribution is made. (Terminates December 31, 2007—sec. 5, Ch. 226, L. 2001.)”

Section 7. Section 15-31-162, MCA, is amended to read:

“15-31-162. (Temporary) Small business corporation, partnership, and limited liability company credit for contribution to qualified endowment. A contribution to a qualified endowment, as defined in 15-30-165, by a small business corporation, as defined in 15-30-1101, a partnership, or a limited liability company, as defined in 35-8-102, carrying on any trade or business for which deductions would be allowed under section 162 of the Internal Revenue Code, 26 U.S.C. 162, or carrying on any rental activity qualifies for the credit provided in 15-31-161. The credit must be attributed to shareholders, partners, or members or managers of a limited liability company in the same proportion used to report the corporation’s, partnership’s, or limited liability company’s income or loss for Montana income tax purposes. The maximum credit that a shareholder of a small business corporation, a partner of a partnership, or a member or manager of a limited liability company may claim in a year is ~~\$10,000~~ \$6,600, subject to the limitations in 15-30-166(2). The credit allowed under this section may not exceed the taxpayer’s income tax liability. There is no carryback or carryforward of the credit permitted under this section, and the credit must be applied to the tax year in which the contribution is made. (Terminates December 31, 2007—sec. 5, Ch. 226, L. 2001.)”

Section 8. Section 15-31-162, MCA, is amended to read:

“15-31-162. (Temporary) Small business corporation, partnership, and limited liability company credit for contribution to qualified endowment. A contribution to a qualified endowment, as defined in 15-30-165, by a small business corporation, as defined in 15-30-1101, a partnership, or a limited liability company, as defined in 35-8-102, carrying on any trade or business for which deductions would be allowed under section 162 of the Internal Revenue Code, 26 U.S.C. 162, or carrying on any rental activity qualifies for the credit provided in 15-31-161. The credit must be attributed to shareholders, partners, or members or managers of a limited liability company in the same proportion used to report the corporation’s, partnership’s, or limited liability company’s income or loss for Montana income tax purposes. The maximum credit that a shareholder of a small business corporation, a partner of a partnership, or a member or manager of a limited liability company may claim in a year is ~~\$10,000~~ \$13,400, subject to the limitations in 15-30-166(2). The credit allowed under this section may not exceed the taxpayer’s income tax liability. There is no carryback or carryforward of the credit permitted under this section, and the credit must be applied to the tax year in which the contribution is made. (Terminates December 31, 2007—sec. 5, Ch. 226, L. 2001.)”

Section 9. Effective date. [This act] is effective on passage and approval.

Section 10. Applicability. (1) [Sections 1, 3, 5, and 7] apply to charitable gifts made on or after [the effective date of this act].

(2) [Sections 2, 4, 6, and 8] apply to charitable gifts made on or after July 1, 2003.

Section 11. Termination. (1) [Sections 1, 3, 5, and 7] terminate June 30, 2003.

(2) [Sections 2, 4, 6, and 8] terminate April 30, 2004.

Approved August 28, 2002

RESOLUTIONS**SENATE RESOLUTION NO. 1**

A RESOLUTION OF THE SENATE OF THE STATE OF MONTANA CONCURRING IN, CONFIRMING, AND CONSENTING TO THE NOMINATION AND APPOINTMENT, MADE BY THE CHIEF JUSTICE OF THE MONTANA SUPREME COURT AND SUBMITTED TO THE SENATE, OF THE HONORABLE C. BRUCE LOBLE AS CHIEF WATER JUDGE.

WHEREAS, the Chief Justice of the Montana Supreme Court has made the nomination, below designated, pursuant to an Order of the Court, dated June 21, 2001; and

WHEREAS, the appointment has been submitted to the Senate, to wit:

C. Bruce Loble as Chief Water Judge for the State of Montana, for a 4-year term of office commencing July 1, 2001, and ending June 30, 2005.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE STATE OF MONTANA:

That the Senate of the 57th Legislature of the State of Montana does hereby concur in, confirm, and consent to the above nomination.

BE IT FURTHER RESOLVED, that the Secretary of the Senate immediately deliver a copy of this resolution, certified by the President and Secretary of the Senate, to the Secretary of State and a copy, certified by the Secretary of the Senate, to the Governor pursuant to section 5-5-303, MCA.

Adopted August 5, 2002

SENATE RESOLUTION NO. 2

A RESOLUTION OF THE SENATE OF THE STATE OF MONTANA CONCURRING IN, CONFIRMING, AND CONSENTING TO THE NOMINATIONS OF APPOINTMENTS MADE BY THE GOVERNOR AND SUBMITTED BY WRITTEN COMMUNICATION DATED JULY 29, 2002, TO THE SENATE.

WHEREAS, the Governor of the State of Montana has made the nominations of appointment, below designated, that have been submitted to the Senate by the Governor pursuant to section 5-5-302, MCA:

As members of the Pacific Northwest Electric Power and Conservation Planning Council, in accordance with the provisions of section 90-4-402, MCA:

Mr. Ed Bartlett, Helena, Montana, appointed to serve a term at the pleasure of the Governor.

Mr. John Hines, Helena, Montana, appointed to serve a term at the pleasure of the Governor.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE STATE OF MONTANA:

That the Senate of the August 2002 Special Session of the 57th Legislature of the State of Montana does hereby concur in, confirm, and consent to the above nominations and that the Secretary of the Senate immediately deliver a copy of this resolution to the Secretary of State and to the Governor pursuant to section 5-5-303, MCA.

Adopted August 7, 2002

SENATE RESOLUTION NO. 3

A RESOLUTION OF THE SENATE OF THE STATE OF MONTANA CONCURRING IN, CONFIRMING, AND CONSENTING TO THE NOMINATION OF APPOINTMENT MADE BY THE GOVERNOR AND SUBMITTED BY WRITTEN COMMUNICATION DATED JULY 29, 2002, TO THE SENATE.

WHEREAS, the Governor of the State of Montana has made the nomination of an appointment, below designated, that has been submitted to the Senate by the Governor pursuant to section 5-5-302, MCA:

As Commissioner of Labor and Industry, in accordance with the provisions of sections 2-15-111 and 2-15-1701, MCA:

Ms. Wendy Keating, Helena, Montana, appointed to serve a term at the pleasure of the Governor.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE STATE OF MONTANA:

That the Senate of the August 2002 Special Session of the 57th Legislature of the State of Montana does hereby concur in, confirm, and consent to the above nomination and that the Secretary of the Senate immediately deliver a copy of this resolution to the Secretary of State and to the Governor pursuant to section 5-5-303, MCA.

Adopted August 7, 2002

SENATE RESOLUTION NO. 4

A RESOLUTION OF THE SENATE OF THE STATE OF MONTANA CONCURRING IN, CONFIRMING, AND CONSENTING TO THE NOMINATION OF APPOINTMENT MADE BY THE GOVERNOR AND SUBMITTED BY WRITTEN COMMUNICATION DATED JULY 29, 2002, TO THE SENATE.

WHEREAS, the Governor of the State of Montana has made the nomination of an appointment, below designated, that has been submitted to the Senate by the Governor pursuant to section 5-5-302, MCA:

As Director of the Department of Administration, in accordance with the provisions of sections 2-15-111 and 2-15-1001, MCA:

Mr. Scott Darkenwald, Helena, Montana, appointed to serve a term at the pleasure of the Governor.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE STATE OF MONTANA:

That the Senate of the August 2002 Special Session of the 57th Legislature of the State of Montana does hereby concur in, confirm, and consent to the above nomination and that the Secretary of the Senate immediately deliver a copy of this resolution to the Secretary of State and to the Governor pursuant to section 5-5-303, MCA.

Adopted August 7, 2002

HOUSE JOINT RESOLUTION NO. 1

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA ESTABLISHING AN OFFICIAL ESTIMATE OF THE STATE'S

ANTICIPATED GENERAL FUND REVENUE FOR THE 2002-03 BIENNIUM FOR THE PURPOSE OF ACHIEVING A BALANCED BUDGET; ACCEPTING THE JUNE 30, 2002, GENERAL FUND BALANCE THAT WAS ESTABLISHED BASED ON GENERALLY ACCEPTED ACCOUNTING PRINCIPLES; AND REQUESTING THE GOVERNOR'S OFFICE OF BUDGET AND PROGRAM PLANNING TO USE THE FIGURES CONTAINED IN THE RESOLUTION AS THE OFFICIAL REVENUE TOTALS FOR FISCAL YEAR 2002 AND THE OFFICIAL REVENUE ESTIMATES FOR FISCAL YEAR 2003.

WHEREAS, Article VI, section 9, of the Montana Constitution requires the Governor to submit to the Legislature a budget for the ensuing fiscal period, containing in detail the estimated revenue of the state; and

WHEREAS, Article VIII, section 9, of the Montana Constitution prohibits the Legislature from appropriating funds in excess of the anticipated revenue of the state; and

WHEREAS, between the April 2001 adjournment of the 57th Legislature and October 2001, general fund revenue was exceeding expectations; and

WHEREAS, the 57th Legislature had estimated a projected general fund ending fund balance of \$53.8 million by June 30, 2003; and

WHEREAS, at the end of fiscal year 2001, the general fund balance had increased \$62.2 million, leaving a projected ending fund balance on June 30, 2003, of \$116.5 million; and

WHEREAS, in December 2001, the Legislative Fiscal Division reported to the Revenue and Transportation Interim Committee that revenue collections from individual income taxes had begun to slow; and

WHEREAS, by May 2001, individual and corporate income tax revenue was well below projections while income tax refunds to taxpayers had increased; and

WHEREAS, the Legislative Fiscal Division has attributed the decline in revenue partly to the national economic recession, the September 11 terrorist attacks, and a marked decline in capital gains, which has resulted in corresponding reductions in individual and corporate income tax revenue; and

WHEREAS, section 17-7-140, MCA, requires the Governor to implement limited spending reductions in the event of a projected general fund budget deficit; and

WHEREAS, pursuant to section 17-7-140, MCA, the Governor's Budget Director recommended a 3.5% reduction in general fund expenditures and notified the Legislative Fiscal Analyst, the Legislative Finance Committee, and the Revenue and Transportation Interim Committee of this recommendation; and

WHEREAS, on June 13 and 14, the Legislative Finance Committee and the Revenue and Transportation Interim Committee met separately to examine the proposed spending reductions, to review revised revenue estimates, and to make recommendations to the Governor; and

WHEREAS, revenue to the general fund has continued to decline and it was determined at the end of June that the 3.5% reduction in expenditures would be insufficient to avoid deficit spending;

WHEREAS, the Legislative Fiscal Division expects total general fund revenue for the 2003 biennium to be \$114.6 million below the estimates adopted by the 57th Legislature in House Joint Resolution No. 2; and

WHEREAS, on June 28, the Governor issued a call for a special session of the 57th Legislature to begin August 5, 2002; and

WHEREAS, the Governor's call directed the Legislature to consider legislation that would approve fund balance transfers, reduce general fund expenditures, reduce nongeneral fund appropriations and nonbudgeted transfers, reduce the general fund shortfall, and provide for a guarantee account in the state special revenue fund; and

WHEREAS, given the magnitude of Montana's fiscal crisis and given the Legislature's constitutional responsibility to balance the budget, it is in the best interests of the state that revenue forecasts be discussed and determined in a public hearing at which all interested individuals may attend and participate; and

WHEREAS, actual revenue for fiscal year 2002 and revised revenue projections for fiscal year 2003 will be reviewed by the House and Senate Taxation Committees in a joint meeting prior to the commencement of the special session; and

WHEREAS, the revenue estimates contained in this resolution are intended to supersede the estimates contained in House Joint Resolution No. 2 of the 57th Legislature meeting in regular session.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA:

That the actual state general fund revenue for fiscal year 2002 be \$1,265,711,000 and that the estimated general fund revenue for fiscal year 2003 be \$1,259,027,000.

BE IT FURTHER RESOLVED, that the Legislature accept for budget purposes, the unreserved fiscal year 2002 fund balance of \$84,105,211 for the general fund, prepared according to generally accepted accounting principles.

BE IT FURTHER RESOLVED, that the Governor's Office of Budget and Program Planning use, as contemplated in 5-18-107(2), the figures contained in this resolution as the official revenue totals for fiscal year 2002 and the official revenue estimates for fiscal year 2003.

GENERAL FUND REVENUE

The revised estimates for total general fund revenue for the 2002-03 biennium are based on an assumption of a continuation of Montana law as it existed on July 1, 2002. The general fund revenue estimates contained in the following table are also based on statutory changes affecting general fund revenue that were enacted during the 2001 Legislative Session.

Current Law General Fund Revenue Estimates (In Millions of Dollars)

Source of Revenue	Actual FY 2002	Estimated FY 2003	Actual and Estimated FY 2002 and FY 2003
Individual Income Tax	\$517.568	\$527.919	\$1,045.487
Statewide School and Vo-Tech Property Taxes	169.339	174.297	343.636
Corporation Income Tax	68.173	63.095	131.268
Vehicle Fees in Lieu of Tax	73.127	74.224	147.351
Common School Interest & Income	48.938	48.801	97.739
Insurance Tax & License Fees	47.291	47.793	95.084
Permanent Coal Trust Interest Earnings	37.605	37.640	75.245
U.S. Mineral Royalty	19.772	20.474	40.246
All Other Revenue	42.439	20.358	62.797
Tobacco Settlement Revenue	18.647	18.854	37.501
Telecommunications Excise Tax	19.594	21.379	40.973
Video Gambling Machine Tax	43.666	45.413	89.079
Treasury Cash Account Interest	13.191	14.316	27.507
Inheritance Tax and Estate Tax	13.816	9.299	23.115
Oil & Natural Gas Production Tax	12.902	13.819	26.721
Motor Vehicle Registration Fees	27.271	27.680	54.951
Public Institution Reimbursements	14.283	16.332	30.615
Coal Severance Tax	8.469	8.460	16.929
Liquor Excise & License Tax	9.514	9.990	19.504
Cigarette Tax	7.887	7.722	15.609
Investment License Fee	4.992	5.067	10.059
Lottery Profits	7.467	6.800	14.267
Liquor Profits	5.600	5.713	11.313
Nursing Facilities Fee	5.918	5.968	11.886
Foreign Capital Depository Tax	0.000	0.000	0.000
Electrical Energy Producer's License Tax	4.197	4.217	8.414
Metalliferous Mines Tax	3.329	3.176	6.505
Highway Patrol Fines	4.062	4.130	8.192

Public Contractors Tax	3.267	2.275	5.542
Wholesale Energy Transaction Tax	2.906	3.143	6.049
Tobacco Tax	2.183	2.319	4.502
Driver's License Fee	2.580	2.592	5.172
Railroad Car Tax	1.490	1.537	3.027
Wine Tax	1.232	1.265	2.497
Beer Tax	2.784	2.960	5.744
Telephone License Tax	0.212	0.000	0.212
Long-Range Bond Excess	0.000	0.000	0.000
Total General Fund	\$1,265.711	\$1,259.027	\$2,524.738

Adopted August 10, 2002



TABLES

SENATE BILL NUMBER TO CHAPTER NUMBER

<u>Bill No.</u>	<u>Chapter No.</u>	<u>Bill No.</u>	<u>Chapter No.</u>
SB 1	21	SB 19	16
SB 6	15	SB 26	17
SB 15	24	SB 27	18
SB 17	22	SB 30	19

HOUSE BILL NUMBER TO CHAPTER NUMBER

<u>Bill No.</u>	<u>Chapter No.</u>	<u>Bill No.</u>	<u>Chapter No.</u>
HB 1	1	HB 9	20
HB 2	23	HB 10	12
HB 3	2	HB 11	5
HB 4	3	HB 12	6
HB 5	9	HB 13	7
HB 6	4	HB 16	8
HB 7	10	HB 18	13
HB 8	11	HB 21	14

CHAPTER NUMBER TO BILL NUMBER

<u>Chapter No.</u>	<u>Bill No.</u>	<u>Chapter No.</u>	<u>Bill No.</u>
1	HB 1	13	HB 18
2	HB 3	14	HB 21
3	HB 4	15	SB 6
4	HB 6	16	SB 19
5	HB 11	17	SB 26
6	HB 12	18	SB 27
7	HB 13	19	SB 30
8	HB 16	20	HB 9
9	HB 5	21	SB 1
10	HB 7	22	SB 17
11	HB 8	23	HB 2
12	HB 10	24	SB 15

EFFECTIVE DATES BY CHAPTER NUMBER

<u>Chapter No.</u>	<u>Bill No.</u>	<u>Effective Date</u>	<u>Chapter No.</u>	<u>Bill No.</u>	<u>Effective Date</u>
Ch. 1	HB 1	08/13/2002	Ch. 6	HB 12	08/13/2002
Ch. 2	HB 3	08/13/2002	Ch. 7	HB 13	08/13/2002
Ch. 3	HB 4	08/13/2002	Ch. 8	HB 16	08/13/2002
Ch. 4	HB 6	08/13/2002	Ch. 9	HB 5	08/16/2002
Ch. 5	HB 11	08/13/2002	Ch. 10	HB 7	08/16/2002

Ch. 11.....	HB 8	08/16/2002	Ch. 18	SB 27	08/20/2002
Ch. 12.....	HB 10	08/16/2002	Ch. 19	SB 30	08/20/2002
Ch. 13.....	HB 18	08/16/2002	Ch. 20	HB 9	08/21/2002
Ch. 14.....	HB 21	08/16/2002	Ch. 21	SB 1	08/21/2002
Ch. 15	SB 6	08/20/2002	Ch. 22	SB 17	08/21/2002
Ch. 16	SB 19	08/20/2002	Ch. 23	HB 2	07/01/2003
Ch. 17	SB 26	08/20/2002	Ch. 24	SB 15	08/28/2002

EFFECTIVE DATES BY DATE

Effective Date	Chapter No.	Bill No.	Effective Date	Chapter No.	Bill No.
08/13/2002	Ch. 1	HB 1	08/16/2002	Ch. 13	HB 18
08/13/2002	Ch. 2	HB 3	08/16/2002	Ch. 14	HB 21
08/13/2002	Ch. 3	HB 4	08/20/2002	Ch. 15	SB 6
08/13/2002	Ch. 4	HB 6	08/20/2002	Ch. 16	SB 19
08/13/2002	Ch. 5	HB 11	08/20/2002	Ch. 17	SB 26
08/13/2002	Ch. 6	HB 12	08/20/2002	Ch. 18	SB 27
08/13/2002	Ch. 7	HB 13	08/20/2002	Ch. 19	SB 30
08/13/2002	Ch. 8	HB 16	08/21/2002	Ch. 20	HB 9
08/16/2002	Ch. 9	HB 5	08/21/2002	Ch. 21	SB 1
08/16/2002	Ch. 10	HB 7	08/21/2002	Ch. 22	SB 17
08/16/2002	Ch. 11	HB 8	08/28/2002	Ch. 24	SB 15
08/16/2002	Ch. 12	HB 10	07/01/2003	Ch. 23	HB 2

SESSION LAW TO CODE

Ch.	Sec.	MCA	Ch.	Sec.	MCA
1	1	Appropriations	2		Effective date
	2	Reversion	8	1	17-2-107
	3	Effective date		2	Effective date
2	1	Sec. 8, Ch. 553, L. 2001	9	1	15-1-122
	2	Effective date		2	15-35-108
3	1	20-9-343 Voided by sec. 5(1), Ch. 10 (coordination section)	3		Effective date
	2	20-9-534	4		Retroactive applicability
	3	20-9-620	10	1	17-7-502
	4	Coordination instruction Voided by sec. 5(1), Ch. 10 (coordination section)		2	20-9-342
	5	Effective date — retroactive applicability	3		20-9-343 Voided by sec. 5(1), Ch. 10 (coordination section)
4	1	2-18-503	4		20-9-622
	2	Effective date	5		Coordination instruction
5	1	17-3-240	6		Effective date — retroactive applicability
	2	Effective date	11	1	Sec. 2, Ch. 434, L. 2001
6	1	Fiscal year 2003 hiring freeze — exemption		2	15-65-121
	2	Effective date		3	Effective date
	3	Termination	12	1	15-35-108
7	1	17-4-106		2	15-36-324
				3	15-37-117
				4	Sec. 2, Ch. 557, L. 1999
				5	Sec. 2, Ch. 573, L. 2001

	6	Effective date		2	15-37-103
	7	Retroactive applicability		3	15-37-104
	8	Termination		4	15-37-105
13	1	15-1-111		5	15-37-106
	2	15-1-112		6	15-37-108
	3	15-1-116		7	15-37-117
	4	15-1-121		8	Effective date
	5	15-24-921		9	Applicability
	6	15-24-925	20	1	Transfer to reclamation and development grants account
	7	15-35-108		2	Sec. 2, Ch. 108, L. 1997
	8	15-65-121		3	Sec. 1, Ch. 232, L. 2001
	9	17-7-502		4	Sec. 2, Ch. 232, L. 2001
	10	23-5-123		5	Sec. 5, Ch. 573, L. 2001
	11	23-5-136		6	15-38-202
	12	25-1-201		7	75-10-743
	13	46-23-1031		8	80-7-823
	14	50-15-301		9	Effective date
	15	53-2-207	21	1	53-24-108
	16	61-3-201		2	Effective date
	17	61-3-317		3	Termination
	18	61-3-321	22	1	46-12-204
	19	61-3-537		2	46-18-202
	20	61-3-562		3	46-18-256
	21	61-4-310		4	46-23-502
	22	61-10-148		5	46-23-504
	23	61-12-701		6	46-23-506
	24	80-2-230		7	46-23-509
	25	Sec. 244, Ch. 574, L. 2001		8	Effective date
	26	Sec. 245, Ch. 574, L. 2001		9	Applicability
	27	Sec. 246, Ch. 574, L. 2001	23	1	Ch. 572, L. 2001
	28	Sec. 248, Ch. 574, L. 2001	24	1	15-30-166
	29	Sec. 249, Ch. 574, L. 2001		2	15-30-166
	30	Sec. 250, Ch. 574, L. 2001		3	15-30-167
	31	Sec. 257, Ch. 574, L. 2001		4	15-30-167
	32	Appropriation		5	15-31-161
	33	Lodging facility use tax — intent		6	15-31-161
	34	Repealer		7	15-31-162
	35	Effective date		8	15-31-162
	36	Retroactive applicability		9	Effective date
14	1	17-3-111		10	Applicability
	2	Effective date		11	Termination
15	1	Sec. 2, Ch. 502, L. 2001			
	2	Effective date			
16	1	39-71-2352			
	2	Study of state fund structure			
	3	Effective date — retroactive applicability			
17	1	69-3-859			
	2	69-3-861			
	3	Effective date			
18	1	53-19-306			
	2	53-19-310			
	3	Fund transfer			
	4	Effective date			
19	1	15-37-102			

MONTANA CODE ANNOTATED

AUGUST 2002 SPECIAL SESSION

CODE SECTIONS AFFECTED

<u>Title-Ch.-Sec.</u>	<u>Action</u>	<u>Chapter</u>	<u>Bill #</u>
2-18-503	amended	Ch. 4	HB 6
15-1-111	amended	Ch. 13	HB 18
15-1-112	amended	Ch. 13	HB 18
15-1-116	amended	Ch. 13	HB 18
15-1-121	amended	Ch. 13	HB 18
15-1-122	amended	Ch. 9	HB 5
15-24-921	amended	Ch. 13	HB 18
15-24-925	amended	Ch. 13	HB 18
15-30-166	amended	Ch. 24	SB 15
15-30-167	amended	Ch. 24	SB 15
15-31-161	amended	Ch. 24	SB 15
15-31-162	amended	Ch. 24	SB 15
15-35-108	amended	Ch. 9	HB 5
	amended	Ch. 12	HB 10
	amended	Ch. 13	HB 18
15-36-324	amended	Ch. 12	HB 10
15-37-102	amended	Ch. 19	SB 30
15-37-103	amended	Ch. 19	SB 30
15-37-104	amended	Ch. 19	SB 30
15-37-105	amended	Ch. 19	SB 30
15-37-106	amended	Ch. 19	SB 30
15-37-108	amended	Ch. 19	SB 30
15-37-117	amended	Ch. 12	HB 10
	amended	Ch. 19	SB 30
15-38-202	amended	Ch. 20	HB 9
15-65-121	amended	Ch. 11	HB 8
	amended	Ch. 13	HB 18
17-2-107	amended	Ch. 8	HB 16
17-3-111	amended	Ch. 14	HB 21
17-3-240	amended	Ch. 5	HB 11
17-4-106	amended	Ch. 7	HB 13
17-7-502	amended	Ch. 10	HB 7
	amended	Ch. 13	HB 18
20-9-342	amended	Ch. 10	HB 7
20-9-343	amended	Ch. 10	HB 7
20-9-534	amended	Ch. 3	HB 4
20-9-620	amended	Ch. 3	HB 4
20-9-622	amended	Ch. 10	HB 7
23-5-123	amended	Ch. 13	HB 18
23-5-136	amended	Ch. 13	HB 18
25-1-201	amended	Ch. 13	HB 18
39-71-2352	amended	Ch. 16	SB 19
46-12-204	amended	Ch. 22	SB 17
46-18-202	amended	Ch. 22	SB 17
46-18-256	amended	Ch. 22	SB 17
46-23-502	amended	Ch. 22	SB 17
46-23-504	amended	Ch. 22	SB 17
46-23-506	amended	Ch. 22	SB 17
46-23-509	amended	Ch. 22	SB 17
46-23-1031	amended	Ch. 13	HB 18
50-15-301	amended	Ch. 13	HB 18
53-2-207	amended	Ch. 13	HB 18

53-19-306	amended	Ch. 18	SB 27
53-19-310	amended	Ch. 18	SB 27
53-24-108	amended	Ch. 21	SB 1
61-3-201	amended	Ch. 13	HB 18
61-3-317	amended	Ch. 13	HB 18
61-3-321	amended	Ch. 13	HB 18
61-3-537	amended	Ch. 13	HB 18
61-3-562	amended	Ch. 13	HB 18
61-4-310	amended	Ch. 13	HB 18
61-4-311	repealed	Ch. 13	HB 18
61-10-148	amended	Ch. 13	HB 18
61-12-701	amended	Ch. 13	HB 18
69-3-859	amended	Ch. 17	SB 26
69-3-861	amended	Ch. 17	SB 26
75-10-743	amended	Ch. 20	HB 9
80-2-230	amended	Ch. 13	HB 18
80-7-823	amended	Ch. 20	HB 9
90-1-108	repealed	Ch. 13	HB 18

SESSION LAWS AFFECTED

<u>Laws Affected</u>	<u>Action</u>	<u>Chapter</u>	<u>Bill #</u>
Laws of 1991			
Ch. 749, sec. 4	repealed	Ch. 13	HB 18
Laws of 1993			
Ch. 217, sec. 1	repealed	Ch. 13	HB 18
Laws of 1995			
Ch. 217, sec. 2, 3	repealed	Ch. 13	HB 18
Laws of 1997			
Ch. 108, sec. 2	amended	Ch. 20	HB 9
Laws of 1999			
Ch. 557, sec. 2	amended	Ch. 12	HB 10
Laws of 2001			
Ch. 232, sec. 1, 2	amended	Ch. 20	HB 9
Ch. 434, sec. 2	amended	Ch. 11	HB 8
Ch. 502, sec. 2	amended	Ch. 15	SB 6
Ch. 553, sec. 8	amended	Ch. 2	HB 3
Ch. 572	amended	Ch. 23	HB 2
Ch. 573, sec. 2	amended	Ch. 12	HB 10
Ch. 573, sec. 5	amended	Ch. 20	HB 9
Ch. 574, sec. 244, 245, 246, 248			
249, 250, 257	amended	Ch. 13	HB 18

MONTANA CODE ANNOTATED

UPDATED SECTION TEXT

TITLE 2

GOVERNMENT STRUCTURE AND ADMINISTRATION

CHAPTER 18

STATE EMPLOYEE CLASSIFICATION, COMPENSATION, AND BENEFITS

2-18-503. Mileage — allowance. (1) Members of the legislature, state officers and employees, jurors, witnesses, county agents, and all other persons who may be entitled to mileage paid from public funds when using their own motor vehicles in the performance of official duties are entitled to collect mileage for the distance actually traveled by motor vehicle and no more unless otherwise specifically provided by law.

(2) (a) When a state officer or employee, including a legislator on legislative business, is authorized to travel by motor vehicle, and chooses to use a privately owned motor vehicle even though a government-owned or leased motor vehicle is available, the officer or employee may be reimbursed only at the rate of 52% of the low mileage rate allowed by the United States internal revenue service for the current year.

(b) When a privately owned motor vehicle is used because a government-owned or leased motor vehicle is not available or because the use is in the best interest of the governmental entity and a notice of unavailability of a government-owned or leased motor vehicle or a specific exemption is attached to the travel claim, then a rate equal to the mileage allotment allowed by the United States internal revenue service for the current year must be paid for the first 1,000 miles and 3 cents less per mile for all additional miles traveled within a given calendar month.

(3) Members of the legislature, while traveling between their residences and Helena, jurors, witnesses, county agents, and all other persons, except a state officer or employee, who may be entitled to mileage paid from public funds when using their own motor vehicles in the performance of official duties are entitled to collect mileage at a rate equal to the mileage allotment allowed by the United States internal revenue service for the current year for the first 1,000 miles and 3 cents less per mile for all additional miles traveled within a given calendar month.

(4) Members of the legislature, state officers and employees, jurors, witnesses, county agents, and all other persons who may be entitled to mileage paid from public funds when using their own airplanes in the performance of official duties are entitled to collect mileage for the nautical air miles actually traveled at a rate of twice the mileage allotment for motor vehicle travel and no more unless specifically provided by law.

(5) This section does not alter 5-2-301.

(6) The department of administration shall prescribe policies necessary for the effective administration of this section for state government. The Montana Administrative Procedure Act, Title 2, chapter 4, does not apply to policies prescribed to administer this part.

History: En. Sec. 4590, Pol. C. 1895; re-en. Sec. 3111, Rev. C. 1907; re-en. Sec. 4884, R.C.M. 1921; amd. Sec. 1, Ch. 16, L. 1933; re-en. Sec. 4884, R.C.M. 1935; amd. Sec. 1, Ch. 121, L. 1941; amd. Sec. 1, Ch. 201, L. 1947; amd. Sec. 1, Ch. 93, L. 1949; amd. Sec. 1, Ch. 124, L. 1951; amd. Sec. 1, Ch. 106, L. 1961; amd. Sec. 1, Ch. 123, L. 1963; amd. Sec. 2, Ch. 48, L. 1967; amd. Sec. 1, Ch. 495, L. 1973; amd. Sec. 9, Ch. 355, L. 1974; amd. Sec. 3, Ch. 439, L. 1975; amd. Sec. 1, Ch. 532, L. 1975; amd. Sec. 1, Ch. 453, L. 1977; R.C.M. 1947, 59-801; amd. Sec. 1, Ch. 622, L. 1979; amd. Sec. 3, Ch. 439, L. 1997; amd. Sec. 8, Ch. 558, L. 1999; amd. Sec. 1, Ch. 4, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 4 in (1) substituted references to motor vehicles for references to automobiles; in (2)(a) substituted language concerning reimbursement when using a privately owned motor vehicle for "When the individual is authorized to operate a privately owned vehicle even though a government-owned or leased vehicle is available, a rate of 3 cents less per mile than the mileage rate allowed by the United States internal revenue service for the current year must be paid"; in (2)(b) substituted references to motor vehicle for references to vehicle and inserted "and a notice of

unavailability of a government-owned or leased motor vehicle or a specific exemption is attached to the travel claim, then"; inserted (3) relating to reimbursement for persons other than state employees; in (4) substituted "motor vehicle" for "automobile"; and made minor changes in style. Amendment effective August 13, 2002.

TITLE 15
TAXATION

CHAPTER 1
TAX ADMINISTRATION

15-1-111. *(Temporary)* **Reimbursement to local governments and schools — duties of department and county treasurer — statutory appropriation.** (1) Prior to September 1, 1990, the department's agent in the county shall supply the following information to the department for each taxing jurisdiction within the county:

- (a) the number of mills levied in the jurisdiction for tax year 1989;
- (b) the number of mills levied in the jurisdiction for tax year 1990;
- (c) the total taxable valuation for tax years 1989 and 1990, reported separately for each year, of all personal property not secured by real property; and
- (d) the total taxable valuation for tax years 1989 and 1990, reported separately for each year, of all personal property secured by real property.

(2) After receipt of the information from its agent, the department shall calculate the amount of revenue lost to each taxing jurisdiction, using current year mill levies, due to the annual reduction in personal property tax rates set forth in 15-6-138, prior to 1994, and any reduction in taxes based upon recalculation of the effective tax rate for property in 15-6-145, prior to 1994. The department shall total the amounts for all taxing jurisdictions within the county.

(3) (a) The department shall remit to the county treasurer 50% of the amount of revenue reimbursable, determined pursuant to subsection (1), on or before November 30 and the remaining 50% on or before May 31.

(b) For tax year 1993 through tax year 1998, the department shall remit to the county treasurer of each county the same amount remitted to the county treasurer for the fiscal year 1991, as adjusted by the result of dissolved or combined taxing jurisdictions, as provided for in subsection (7). Fifty percent of the amount must be remitted on or before November 30 and the remaining 50% on or before May 31.

(c) (i) For tax year 1999 through tax year 2008, the department shall remit to the county treasurer of each county the same amount remitted to the county treasurer for the fiscal year 1991, progressively reduced by 10% of the 1991 amount each year, in accordance with the following schedule:

Tax Year	Percentage of 1991 Remittance Amount
1999	90
2000	80
2001	70
2002	60
2003	50
2004	40
2005	30
2006	20
2007	10
2008 and following years	0

(ii) The amount remitted must be adjusted by the result of dissolved or combined taxing jurisdictions, as provided for in subsection (7). Fifty percent of the amount must be remitted on or before November 30 and the remaining 50% on or before May 31.

(4) Upon receipt of the reimbursement from the department, the county treasurer shall distribute the reimbursement to each taxing jurisdiction as calculated by the department.

(5) (a) For the purposes of this section and subject to subsection (7), "taxing jurisdiction" means a jurisdiction levying mills against personal property and includes but is not limited to a county, city, school district, tax increment financing district, and miscellaneous taxing district.

(b) The term does not include county or state school equalization levies provided for in 15-10-107, 20-9-331, 20-9-333, 20-9-360, 20-25-423, and 20-25-439.

(6) The amounts necessary for the administration of this section are statutorily appropriated, as provided in 17-7-502, from the general fund to reimburse eligible taxing jurisdictions for reductions in tax rates on personal property.

(7) The following apply to taxing jurisdictions that were altered after tax year 1989:

(a) A taxing jurisdiction that existed in tax year 1989 and that no longer exists is not entitled to reimbursement under this section.

(b) A taxing jurisdiction that existed in tax year 1989 and that is split into two or more taxing jurisdictions or that is annexed to or is consolidated with another taxing jurisdiction is entitled to reimbursement based on the portion of 1989 taxable value within each new taxing jurisdiction. The department shall determine the portion of 1989 taxable value located in each taxing jurisdiction.

(c) A taxing jurisdiction that did not exist in tax year 1989 is not entitled to reimbursement under this section unless the jurisdiction was created as described in subsection (7)(b). (*Repealed effective July 1, 2008—secs. 66(2), 68(2), Ch. 422, L. 1997.*)

History: En. Sec. 9, Ch. 10, Sp. L. June 1989; amd. Sec. 2, Ch. 773, L. 1991; amd. Sec. 1, Ch. 499, L. 1993; amd. Sec. 33, Ch. 27, Sp. L. November 1993; amd. Sec. 9, Ch. 570, L. 1995; amd. Sec. 1, Ch. 13, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 13 in (5)(a) at end deleted "and the state of Montana"; inserted (5)(b) relating to county or state school equalization levies; and made minor changes in style. Amendment effective August 16, 2002.

Retroactive Applicability: Section 36(3), Ch. 13, Sp. L. August 2002, provided: "(3) [Sections 1, 2, 5, 8, 12, 17, 19, 22, 23, and 25 through 30] apply retroactively, within the meaning of 1-2-109, to July 1, 2002."

15-1-112. Business equipment tax rate reduction reimbursement to local government taxing jurisdictions. (1) On or before January 1, 1996, for the reduction in payment under subsection (4) and by June 1 of 1996, 1997, and 1998 for all other reimbursements in this section, the department shall determine a reimbursement amount associated with reducing the tax rate in 15-6-138 and provide that information to each county treasurer. The reimbursement amount must be determined for each local government taxing jurisdiction that levied mills on the taxable value of property described in 15-6-138 in the corresponding tax year. However, the reimbursement does not apply to property described in 15-6-138 that has a reduced tax rate under 15-24-1402.

(2) (a) The reimbursement amount to be used as the basis for the payment reduction under subsection (4) is the product of multiplying the tax year 1995 taxable value of property described in 15-6-138 for each local government taxing jurisdiction by the tax year 1995 mill levy for the jurisdiction and then multiplying by 1/9th.

(b) (i) The reimbursement amount for each local government taxing jurisdiction for tax year 1996 is the amount determined under subsection (2)(a) unless the tax year 1996 market value of property described in 15-6-138, for the particular local government taxing jurisdiction, is more than the tax year 1995 market value for property described in 15-6-138 in the same jurisdiction.

(ii) If the tax year 1996 market value is greater than the tax year 1995 market value for a particular jurisdiction, then the reimbursement amount for tax year 1996 is the result of subtracting the simulated 1996 tax from the 1995 tax. The 1995 tax is the tax for the particular jurisdiction, determined by multiplying the actual taxable valuation of property described in 15-6-138, for tax year 1995, by the tax year 1995 mill levy for the jurisdiction. The simulated 1996 tax for the particular jurisdiction is the actual tax year 1996 taxable value of property described in 15-6-138 multiplied by the tax year 1995 mill levy for the particular jurisdiction. If the simulated 1996 tax is greater than the 1995 tax, the reimbursement amount is zero.

(c) (i) The reimbursement amount for each local government taxing jurisdiction for tax year 1997 is the amount determined under subsection (2)(a) multiplied by two unless the tax year 1997 market value of property described in 15-6-138, for the particular local government taxing jurisdiction, is more than the tax year 1995 market value for property described in 15-6-138 in the same jurisdiction.

(ii) If the tax year 1997 market value is greater than the tax year 1995 market value for a particular jurisdiction, then the reimbursement amount for tax year 1997 is the result of subtracting the simulated 1997 tax from the 1995 tax. The 1995 tax is the tax for the particular jurisdiction, determined by multiplying the actual taxable valuation of property described in 15-6-138, for tax year 1995, by the tax year 1995 mill levy for the jurisdiction. The simulated 1997 tax for the particular jurisdiction is the actual tax year 1997 taxable value of property described in 15-6-138 multiplied by the tax year 1995 mill levy for the particular jurisdiction. If the simulated 1997 tax is greater than the 1995 tax, the reimbursement amount is zero.

(d) (i) The reimbursement amount for each local government taxing jurisdiction for tax year 1998 is the amount determined under subsection (2)(a) multiplied by three unless the tax year 1998 market value of property described in 15-6-138, for the particular local government taxing jurisdiction, is more than the tax year 1995 market value for property described in 15-6-138 in the same jurisdiction.

(ii) If the tax year 1998 market value is greater than the tax year 1995 market value for a particular jurisdiction, then the reimbursement amount for tax year 1998 is the result of subtracting the simulated 1998 tax from the 1995 tax. The 1995 tax is the tax for the particular jurisdiction, determined by multiplying the actual taxable valuation of property described in 15-6-138, for tax year 1995, by the tax year 1995 mill levy for the jurisdiction. The simulated 1998 tax for the particular jurisdiction is the actual tax year 1998 taxable value of property described in 15-6-138 multiplied by the tax year 1995 mill levy for the particular jurisdiction. If the simulated 1998 tax is greater than the 1995 tax, the reimbursement amount is zero.

(3) (a) For purposes of this section, "local government taxing jurisdiction" means a local government rather than a state taxing jurisdiction that levied mills against property described in 15-6-138, including county governments, incorporated city and town governments, consolidated county and city governments, tax increment financing districts, local elementary and high school districts, local community college districts, miscellaneous districts, and special districts. The term includes countywide mills levied for equalization of school retirement or transportation.

(b) The term does not include county or state school equalization levies provided for in 20-9-331, 20-9-333, 20-9-360, and 20-25-439.

(c) Each tax increment financing district must receive the benefit of the state mill on the incremental taxable value of the district.

(4) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in June of 1996 by an amount equal to 38% of the reimbursement amount determined under subsection (2)(a) for all of the local government taxing jurisdictions in the county.

(5) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in December of 1996 by an amount equal to 31% of the reimbursement amount for tax year 1996 for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).

(6) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in June of 1997 by an amount equal to 31% of the reimbursement amount for tax year 1996 for all of the local government taxing jurisdictions in the county and by an amount equal to 38% of the reimbursement amount for tax year 1997 for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).

(7) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in December of 1997 by an amount equal to 31% of the reimbursement amount for tax year 1997 for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).

(8) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in June of 1998 by an amount equal to 31% of the reimbursement amount for tax year 1997 for all of the local government taxing jurisdictions in the county and by an amount equal to 38% of the reimbursement amount for tax year 1998 for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).

(9) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in December of 1998 by an amount equal to 31% of the reimbursement amount for tax year 1998 for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).

(10) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in June of 1999 by an amount equal to 69% of the reimbursement amount for tax year 1998 for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).

(11) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in December of the years 1999 through 2007 by an amount equal to 31% of the reimbursement amount determined in subsection (13) for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).

(12) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in June of the years 2000 through 2008 by an amount equal to 69% of the reimbursement amount determined in subsection (13) for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).

(13) (a) The reimbursement amount for tax year 1999 and each subsequent tax year for 9 years must be progressively reduced each year by 10% of the reimbursement amount for tax year 1998, according to the following schedule:

Tax Year	Percentage of 1998 Reimbursement Amount
1999	90
2000	80
2001	70
2002	60
2003	50
2004	40
2005	30
2006	20
2007	10
2008 and following years	0

(b) The reimbursement amount for each tax year must be the basis for reducing the amount remitted to the state for the levy imposed under 20-9-360 in December of the same year and June of the following year.

(14) The county treasurer shall use the funds from the reduced payment to the state for the levy imposed under 20-9-360 to reimburse each local government taxing jurisdiction in the amount determined by the department under subsection (2). The reimbursement must be distributed to funds within local government taxing jurisdictions in the same manner as taxes on property described in 15-6-138 are distributed. The reimbursement in June must be distributed based on the prior year's mill levy, and the reimbursement in December must be based on the current year's mill levy.

(15) Each local government taxing jurisdiction receiving reimbursements shall consider the amount of reimbursement that will be received and lower the mill levy otherwise necessary to fund the budget by the amount that would otherwise have to be raised by the mill levy.

(16) A local government taxing jurisdiction that ceases to exist after October 1, 1995, will no longer be considered for revenue loss or reimbursement purposes. A local government taxing jurisdiction that is created after January 1, 1996, will not be considered for revenue loss or reimbursement purposes. If a local government taxing jurisdiction that existed prior to

January of 1996 is split between two or more taxing jurisdictions or is annexed to or is consolidated with another taxing jurisdiction, the department shall determine how much of the revenue loss and reimbursement is attributed to the new jurisdictions.

History: En. Sec. 2, Ch. 570, L. 1995; amd. Sec. 25, Ch. 51, L. 1999; amd. Sec. 1, Ch. 245, L. 1999; amd. Sec. 6, Ch. 571, L. 2001; amd. Sec. 2, Ch. 13, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 13 in (3)(b) at end inserted reference to 20-25-439; and made minor changes in style. Amendment effective August 16, 2002.

Retroactive Applicability: Section 36(3), Ch. 13, Sp. L. August 2002, provided: "(3) [Sections 1, 2, 5, 8, 12, 17, 19, 22, 23, and 25 through 30] apply retroactively, within the meaning of 1-2-109, to July 1, 2002."

15-1-116. Manufactured home considered as improvement to real property — requirements. (1) A manufactured home will be considered for tax purposes an improvement to real property if:

- (a) the running gear is removed; and
- (b) the manufactured home is attached to a permanent foundation on land that is owned or being purchased by the owner of the manufactured home or, if the land is owned by another person, with the permission of the landowner.

(2) To eliminate the certificate of ownership of a manufactured home, an owner may file a statement of intent on a form furnished by the department of justice.

(3) The statement of intent must include:

- (a) the serial number of the manufactured home;
- (b) the legal description of the real property to which the manufactured home has been permanently attached;

(c) a description of any security interests in the manufactured home; and

(d) approval from all lienholders of the intent to eliminate the title.

(4) The owner shall present the statement of intent to the county treasurer of the county in which the manufactured home is located and shall surrender the certificate of ownership. Upon receipt of a titling fee of \$5, the county treasurer shall issue the owner a duplicate receipt for the surrendered certificate and forward a copy of the statement of intent, the original receipt, and the surrendered certificate to the department of justice. The county treasurer may not issue the receipt unless all taxes, interest, and penalties on the manufactured home have been paid in full. The county treasurer shall remit the titling fee to the department for deposit in the state general fund.

(5) Upon the recording of the statement of intent and the receipt of surrender, the manufactured home may not be physically removed without the consent of all persons who have an interest in the manufactured home.

(6) A manufactured home that has been declared an improvement to real property in accordance with this section must be treated by the department and by lending institutions in the same manner as any other residence that is classified as an improvement.

History: En. Sec. 2, Ch. 200, L. 1997; amd. Sec. 5, Ch. 257, L. 2001; amd. Sec. 3, Ch. 13, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 13 in (4) in last sentence after "shall" deleted former (4)(a) that read: "(a) deposit \$1.50 of the titling fee in the county general fund" and after "remit" deleted "\$3.50 of"; and made minor changes in style. Amendment effective August 16, 2002.

Retroactive Applicability: Section 36(2), Ch. 13, Sp. L. August 2002, provided: "(2) [Sections 3, 4, 7, 15, 16, 18, 20, 21, and 34] apply retroactively, within the meaning of 1-2-109, to July 1, 2001."

15-1-121. Entitlement share payment — appropriation. (1) The amount calculated pursuant to this subsection is each local government's base entitlement share. The department shall estimate the total amount of revenue that each local government received from the following sources for the fiscal year ending June 30, 2001:

- (a) personal property tax reimbursements pursuant to sections 167(1) through (5) and 169(6), Chapter 584, Laws of 1999;
- (b) vehicle and boat taxes and fees pursuant to:
 - (i) Title 23, chapter 2, part 5;
 - (ii) Title 23, chapter 2, part 6;
 - (iii) Title 23, chapter 2, part 8;

- (iv) 61-3-317;
 - (v) 61-3-321;
 - (vi) Title 61, chapter 3, part 5, except for 61-3-509(3), as that subsection read prior to the amendment of 61-3-509 in 2001;
 - (vii) Title 61, chapter 3, part 7;
 - (viii) 5% of the fees collected under 61-10-122;
 - (ix) 61-10-130;
 - (x) 61-10-148; and
 - (xi) 67-3-205;
 - (c) gaming revenue pursuant to Title 23, chapter 5, part 6, except for the permit fee in 23-5-612(2)(a);
 - (d) district court fees pursuant to:
 - (i) 25-1-201, except those fees in 25-1-201(1)(d), (1)(g), and (1)(j);
 - (ii) 25-1-202;
 - (iii) 25-1-1103;
 - (iv) 25-9-506;
 - (v) 25-9-804; and
 - (vi) 27-9-103;
 - (e) certificate of ownership fees for manufactured homes pursuant to 15-1-116;
 - (f) financial institution taxes pursuant to Title 15, chapter 31, part 7;
 - (g) coal severance taxes allocated for county land planning pursuant to 15-35-108;
 - (h) all beer, liquor, and wine taxes pursuant to:
 - (i) 16-1-404;
 - (ii) 16-1-406; and
 - (iii) 16-1-411;
 - (i) late filing fees pursuant to 61-3-201;
 - (j) title and registration fees pursuant to 61-3-203;
 - (k) disabled veterans' flat license plate fees and purple heart license plate fees pursuant to 61-3-332;
 - (l) county personalized license plate fees pursuant to 61-3-406;
 - (m) special mobile equipment fees pursuant to 61-3-431;
 - (n) single movement permit fees pursuant to 61-4-310;
 - (o) state aeronautics fees pursuant to 67-3-101; and
 - (p) department of natural resources and conservation payments in lieu of taxes pursuant to Title 77, chapter 1, part 5.
- (2) (a) From the amounts estimated in subsection (1) for each county government, the department shall deduct fiscal year 2001 county government expenditures for district courts, less reimbursements for district court expenses, and fiscal year 2001 county government expenditures for public welfare programs to be assumed by the state in fiscal year 2002.
- (b) The amount estimated pursuant to subsections (1) and (2)(a) is each local government's base year component. The sum of all local governments' base year components is the base year entitlement share pool. For the purpose of calculating the sum of all local governments' base year components, the base year component for a local government may not be less than zero.
- (3) (a) Beginning with fiscal year 2002 and in each succeeding fiscal year, the base year entitlement share pool must be increased annually by a growth rate as provided for in this subsection (3). The amount determined through the application of annual growth rates is the entitlement share pool for each fiscal year. For fiscal year 2002, the growth rate is 3%. For fiscal year 2003, the growth rate is 3% for incorporated cities and towns, 1.61% for counties, and 2.3% for consolidated local governments. Beginning with calendar year 2004, by October 1 of each even-numbered year, the department shall calculate the growth rate of the entitlement share pool for each year of the next biennium in the following manner:
- (i) Before applying the growth rate for fiscal year 2004 to determine the fiscal year 2004 entitlement share pool, the department shall add to the fiscal year 2003 entitlement share pool

the fiscal year 2003 amount of revenue actually distributed to the county from the 25-cent marriage license fee in 50-15-301 and the probation and parole fee in 46-23-1031(2)(b).

(ii) The department shall calculate the average annual growth rate of the Montana gross state product, as published by the bureau of economic analysis of the United States department of commerce, for the following periods:

(A) the last 4 calendar years for which the information has been published; and

(B) the 4 calendar years beginning with the year before the first year in the period referred to in subsection (3)(a)(ii)(A).

(iii) The department shall calculate the average annual growth rate of Montana personal income, as published by the bureau of economic analysis of the United States department of commerce, for the following periods:

(A) the last 4 calendar years for which the information has been published; and

(B) the 4 calendar years beginning with the year before the first year in the period referred to in subsection (3)(a)(iii)(A).

(b) (i) For fiscal year 2004 and subsequent fiscal years, the entitlement share pool growth rate for the first year of the biennium must be the following percentage of the average of the growth rates calculated in subsections (3)(a)(ii)(B) and (3)(a)(iii)(B):

(A) for counties, 54%;

(B) for consolidated local governments, 62%; and

(C) for incorporated cities and towns, 70%.

(ii) The entitlement share pool growth rate for the second year of the biennium must be the following percentage of the average of the growth rates calculated in subsections (3)(a)(ii)(A) and (3)(a)(iii)(A):

(A) for counties, 54%;

(B) for consolidated local governments, 62%; and

(C) for incorporated cities and towns, 70%.

(4) As used in this section, "local government" means a county, a consolidated local government, an incorporated city, and an incorporated town. A local government does not include a tax increment financing district provided for in subsection (6). For purposes of calculating the base year component for a county or consolidated local government, the department shall include the revenue listed in subsection (1) for all special districts within the county or consolidated local government. The county or consolidated local government is responsible for making an allocation from the county's or consolidated local government's share of the entitlement share pool to each special district within the county or consolidated local government in a manner that reasonably reflects each special district's loss of revenue sources listed in subsection (1).

(5) (a) The entitlement share pools calculated in this section and the block grants provided for in subsection (6) are statutorily appropriated, as provided in 17-7-502, from the general fund to the department for distribution to local governments. Each local government is entitled to a pro rata share of each year's entitlement share pool based on the local government's base component in relation to the base year entitlement share pool. The distributions must be made on a quarterly basis beginning September 15, 2001.

(b) (i) For fiscal year 2002, the growth amount is the difference between the fiscal year 2002 entitlement share pool and the base year entitlement share pool. For fiscal year 2002, a county may have a negative base year component. For fiscal year 2003 and each succeeding fiscal year, the growth amount is the difference between the entitlement share pool in the current fiscal year and the entitlement share pool in the previous fiscal year. For the purposes of subsection (5)(b)(ii)(A), a county with a negative base year component has a base year component of zero. The growth factor in the entitlement share must be calculated separately for:

(A) counties;

(B) consolidated local governments; and

(C) incorporated cities and towns.

(ii) In each fiscal year, the growth amount for counties must be allocated as follows:

(A) 50% of the growth amount must be allocated based upon each county's percentage of the base year entitlement share pool for all counties; and

(B) 50% of the growth amount must be allocated based upon the percentage that each county's population bears to the state population not residing within consolidated local governments as determined by the latest interim year population estimates from the Montana department of commerce as supplied by the United States bureau of the census.

(iii) In each fiscal year, the growth amount for consolidated local governments must be allocated as follows:

(A) 50% of the growth amount must be allocated based upon each consolidated local government's percentage of the base year entitlement share pool for all consolidated local governments; and

(B) 50% of the growth amount must be allocated based upon the percentage that each consolidated local government's population bears to the state's total population residing within consolidated local governments as determined by the latest interim year population estimates from the Montana department of commerce as supplied by the United States bureau of the census.

(iv) In each fiscal year, the growth amount for incorporated cities and towns must be allocated as follows:

(A) 50% of the growth amount must be allocated based upon each incorporated city's or town's percentage of the base year entitlement share pool for all incorporated cities and towns; and

(B) 50% of the growth amount must be allocated based upon the percentage that each city's or town's population bears to the state's total population residing within incorporated cities and towns as determined by the latest interim year population estimates from the Montana department of commerce as supplied by the United States bureau of the census.

(v) In each fiscal year, the amount of the entitlement share pool not represented by the growth amount is distributed to each local government in the same manner as the entitlement share pool was distributed in the prior fiscal year.

(vi) For fiscal year 2002, an amount equal to the district court costs identified in subsection (2) must be added to each county government's distribution from the entitlement share pool.

(vii) For fiscal year 2002, an amount equal to the district court fees identified in subsection (1)(d) must be subtracted from each county government's distribution from the entitlement share pool.

(6) (a) If a tax increment financing district was not in existence during the fiscal year ending June 30, 2000, then the tax increment financing district is not entitled to any block grant. If a tax increment financing district referred to in subsection (6)(b) terminates, then the block grant provided for in subsection (6)(b) terminates.

(b) One-half of the payments provided for in this subsection (6)(b) must be made by November 30 and the other half by May 31 of each year. Subject to subsection (6)(a), the entitlement share for tax increment financing districts is as follows:

Cascade	Great Falls - downtown	\$468,966
Deer Lodge	TIF District 1	3,148
Deer Lodge	TIF District 2	3,126
Flathead	Kalispell - District 1	758,359
Flathead	Kalispell - District 2	5,153
Flathead	Kalispell - District 3	41,368
Flathead	Whitefish District	164,660
Gallatin	Bozeman - downtown	34,620
Lewis and Clark	Helena - # 2	731,614
Missoula	Missoula - 1-1B & 1-1C	1,100,507
Missoula	Missoula - 4-1C	33,343
Silver Bow	Butte - uptown	283,801
Yellowstone	Billings	436,815

(c) The entitlement share for industrial tax increment financing districts is as follows:

(i) for fiscal years 2002 and 2003:

Missoula County	Airport Industrial	\$4,812
Silver Bow	Ramsay Industrial	597,594;

(ii) for fiscal years 2004 and 2005:

Missoula	County Airport Industrial	\$2,406
Silver Bow	Ramsay Industrial	298,797; and

(iii) \$0 for all succeeding fiscal years.

(d) The entitlement share for industrial tax increment financing districts referred to in subsection (6)(c) may not be used to pay debt service on tax increment bonds to the extent that the bonds are secured by a guaranty, a letter of credit, or a similar arrangement provided by or on behalf of an owner of property within the tax increment financing industrial district.

(e) One-half of the payments provided for in subsection (6)(c) must be made by July 30, and the other half must be made in December of each year.

(7) The estimated base year entitlement share pool and any subsequent entitlement share pool for local governments do not include revenue received from countywide transportation block grants or from countywide retirement block grants.

(8) The estimates for the base year entitlement share pool in subsection (1) must be calculated as if the fees in Chapter 515, Laws of 1999, were in effect for all of fiscal year 2001.

(9) (a) If revenue that is included in the sources listed in subsections (1)(b) through (1)(p) is significantly reduced, except through legislative action, the department shall deduct the amount of revenue loss from the entitlement share pool beginning in the succeeding fiscal year and the department shall work with local governments to propose legislation to adjust the entitlement share pool to reflect an allocation of the loss of revenue.

(b) For the purposes of subsection (9)(a), a significant reduction is a loss that causes the amount of revenue received in the current year to be less than 95% of the amount of revenue received in the base year.

(10) A three-fifths vote of each house is required to reduce the amount of the entitlement share calculated pursuant to subsections (1) through (3).

(11) When there has been an underpayment of a local government's share of the entitlement share pool, the department shall distribute the difference between the underpayment and the correct amount of the entitlement share. When there has been an overpayment of a local government's entitlement share, the local government shall remit the overpaid amount to the department.

(12) A local government may appeal the department's estimation of the base year component, the entitlement share pool growth rate, or a local government's allocation of the entitlement share pool, according to the uniform dispute review procedure in 15-1-211.

History: En. Sec. 1, Ch. 574, L. 2001; amd. Sec. 4, Ch. 13, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 13 inserted (1)(b)(iv) relating to 61-3-317; at end of (1)(b)(vi) deleted "61-3-537"; inserted (1)(b)(viii) relating to 5% of fees under 61-10-122; inserted (1)(b)(ix) relating to 61-10-130; inserted (1)(b)(x) relating to 61-10-148; inserted (1)(b)(xi) relating to 67-3-205; in (2)(b) inserted last sentence relating to a zero base year component; in (3)(a) in third sentence deleted 2003 from the 3% growth rate and inserted fourth sentence providing specific growth rates for 2003; inserted (3)(a)(i) relating to computation for the marriage license and probation and parole fees; in (5)(b)(i) inserted second and fourth sentences relating to a negative base year component; inserted (5)(b)(vii) relating to subtracting district court fees in fiscal year 2002; and made minor changes in style. Amendment effective August 16, 2002.

Retroactive Applicability: Section 36(2), Ch. 13, Sp. L. August 2002, provided: "(2) [Sections 3, 4, 7, 15, 16, 18, 20, 21, and 34] apply retroactively, within the meaning of 1-2-109, to July 1, 2001."

15-1-122. Fund transfers. (1) There is transferred from the state general fund to the adoption services account, provided for in 42-2-105, \$36,764 for fiscal year 2003. Beginning with fiscal year 2004, the amount of the transfer must be increased by 10% in each succeeding fiscal year.

(2) There is transferred from the state general fund to the department of transportation state special revenue nonrestricted account the following amounts:

(a) \$75,000 in fiscal year 2003;

- (b) \$2,960,715 in fiscal year 2004; and
- (c) in each succeeding fiscal year, the amount in subsection (2)(b), increased by 1.5% in each succeeding fiscal year.
- (3) For fiscal year 2002 and for each succeeding fiscal year, there is transferred from the state general fund to the accounts, entities, or recipients indicated the following amounts:
 - (a) to the motor vehicle recycling and disposal program provided for in Title 75, chapter 10, part 5:
 - (i) \$2 for each new application for a motor vehicle title and for each transfer of a motor vehicle title for which a fee is paid pursuant to 61-3-203; and
 - (ii) \$1 for each passenger car or truck under 8,001 pounds GVW registered for licensing pursuant to Title 61, chapter 3, part 3. Fifteen cents of each dollar must be used for the purpose of reimbursing the hired removal of abandoned vehicles during the calendar year following the calendar year in which the fee was paid. Any portion of the 15 cents not used for abandoned vehicle removal reimbursement during the calendar year following its payment must be used as provided in 75-10-532;
 - (b) to the noxious weed state special revenue account provided for in 80-7-816:
 - (i) \$1 for each off-highway vehicle subject to payment of the fee in lieu of tax, as provided for in 23-2-803; and
 - (ii) \$1.50 for each light vehicle, truck or bus weighing less than 1 ton, logging truck, vehicles weighing more than 1 ton, motorcycle, quadricycle, and motor home subject to registration or reregistration pursuant to 61-3-321;
 - (c) to the department of fish, wildlife, and parks:
 - (i) \$2.50 for each motorboat, sailboat, or personal watercraft receiving a certificate of number under 23-2-512, with 20% of the amount received to be used to acquire and maintain pumpout equipment and other boat facilities;
 - (ii) \$5 for each snowmobile registered under 23-2-616, with \$2.50 to be used for enforcing the purposes of 23-2-601 through 23-2-644 and \$2.50 designated for use in the development, maintenance, and operation of snowmobile facilities;
 - (iii) \$1 for each duplicate snowmobile decal issued under 23-2-617;
 - (iv) \$5 for each off-highway vehicle decal issued under 23-2-804 and each off-highway vehicle duplicate decal issued under 23-2-809, with 40% of the money used to enforce the provisions of 23-2-804 and 60% of the money used to develop and implement a comprehensive program and to plan appropriate off-highway vehicle recreational use;
 - (v) to the state special revenue fund established in 23-1-105, \$3.50 for each recreational vehicle, camper, motor home, and travel trailer registered or reregistered and subject to the fee in 61-3-321 or 61-3-524; and
 - (vi) an amount equal to 20% of the funds collected pursuant to 23-2-518 to be deposited in the motorboat account to be used as provided in 23-2-533;
 - (d) to the state veterans' cemetery account, provided for in 10-2-603, \$10 for each veteran's license plate issued pursuant to 61-3-332(10)(a)(ii), (10)(f), and (10)(h);
 - (e) to the supplemental benefits for highway patrol officers' retirement account provided for in 19-6-709, 25 cents for each motor vehicle registered, other than trailers or semitrailers registered in other jurisdictions and registered through a proportional registration agreement; and
 - (f) 25 cents a year for each vehicle subject to the fee in 61-3-321(6) for deposit in the state special revenue fund to the credit of the senior citizens and persons with disabilities transportation services account provided for in 7-14-112.
- (4) For fiscal year 2002, there is transferred from the state general fund to the state special revenue fund to be used for purposes of state funding of district court expenses, as provided in 3-5-901, \$5,742,983 in lieu of the amount deposited by the state treasurer under 61-3-509(3), as that subsection read prior to the amendment of 61-3-509 in 2001.
- (5) For each fiscal year, beginning with fiscal year 2002, the department of justice shall provide to the department of revenue a count of the vehicles required for the calculations in subsection (3). Transfer amounts for fiscal year 2002 must be based on vehicle counts for

calendar year 2000. Transfer amounts in each succeeding fiscal year must be based on vehicle counts in the most recent calendar year for which vehicle information is available.

(6) The amounts transferred from the general fund to the designated recipient must be appropriated as state special revenue in the general appropriations act for the designated purposes.

History: En. Sec. 3, Ch. 574, L. 2001; amd. Sec. 1, Ch. 9, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 9 deleted former (2)(a) that read: "(a) \$2,873,853 in fiscal year 2002"; in (2)(a) decreased fiscal year 2003 transfer amount from \$2,916,961 to \$75,000; and made minor changes in style. Amendment effective August 16, 2002.

Retroactive Applicability: Section 4, Ch. 9, Sp. L. August 2002, provided: "[This act] applies retroactively, within the meaning of 1-2-109, to transfers in fiscal years beginning July 1, 2001."

CHAPTER 24 SPECIAL PROPERTY TAX APPLICATIONS

15-24-921. Per capita fee to pay expenses of enforcing livestock laws. (1) In addition to appropriations made for those purposes, a per capita fee is authorized and directed to be imposed by the department on all poultry and bees, all swine 3 months of age or older, and all other livestock 9 months of age or older in each county of this state for the purpose of aiding in the payment of the salaries and all expenses connected with the enforcement of the livestock laws of the state and for the payment of bounties on wild animals as provided in 81-7-104.

(2) The per capita fee is due on November 30 of each year. The penalty and interest provisions contained in 15-1-216 apply to late payments of the fee.

(3) As used in this section, "livestock" means cattle, sheep, swine, poultry, bees, goats, horses, mules, asses, llamas, alpacas, domestic bison, ostriches, rheas, and emus, and domestic ungulates.

History: En. Sec. 1, Ch. 127, L. 1915; re-en. Sec. 2076, R.C.M. 1921; re-en. Sec. 2076, R.C.M. 1935; R.C.M. 1947, 84-5209; amd. Sec. 3, Ch. 660, L. 1987; amd. Sec. 2, Ch. 627, L. 1991; amd. Sec. 2, Ch. 417, L. 1993; amd. Sec. 115, Ch. 27, Sp. L. November 1993; amd. Sec. 2, Ch. 206, L. 1995; amd. Sec. 99, Ch. 574, L. 2001; amd. Sec. 5, Ch. 13, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 13 inserted (2) relating to when the fee is due and penalty and interest provisions; and made minor changes in style. Amendment effective August 16, 2002.

Retroactive Applicability: Section 36(3), Ch. 13, Sp. L. August 2002, provided: "(3) [Sections 1, 2, 5, 8, 12, 17, 19, 22, 23, and 25 through 30] apply retroactively, within the meaning of 1-2-109, to July 1, 2002."

2001 Amendment: Chapter 574 in (1) near beginning substituted "per capita fee is authorized and directed to be imposed" for "per capita tax is authorized and directed to be levied". Amendment effective July 1, 2001.

15-24-925. Reimbursement to department — transmission of fees to state. (1) The department may withhold 2% of the money received under 15-24-921 as reimbursement for the collection of the fee on livestock unless a different percentage of money to be withheld is mutually agreed upon by the department and the department of livestock on an annual basis.

(2) The department shall designate the amount received from the fee imposed on sheep and the amount received from the fee imposed on all other livestock and shall specify the separate amounts in the report to the department of livestock. The money, when received by the department, must be deposited in an account in the special revenue fund to the credit of the department of livestock. The money in the account must be kept separate from other funds received by the department of livestock.

History: En. Sec. 5, Ch. 127, L. 1915; re-en. Sec. 2080, R.C.M. 1921; re-en. Sec. 2080, R.C.M. 1935; R.C.M. 1947, 84-5213; amd. Sec. 1, Ch. 100, L. 1983; amd. Sec. 3, Ch. 444, L. 1983; amd. Sec. 5, Ch. 660, L. 1987; amd. Sec. 4, Ch. 509, L. 1995; amd. Sec. 7, Ch. 257, L. 2001; amd. Sec. 101, Ch. 574, L. 2001; amd. Sec. 6, Ch. 13, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 13 at end of (1) inserted "unless a different percentage of money to be withheld is mutually agreed upon by the department and the department of livestock on an annual basis". Amendment effective August 16, 2002.

CHAPTER 30 INDIVIDUAL INCOME TAX

15-30-166. (Temporary) Credit for contributions to qualified endowment. (1) A taxpayer is allowed a tax credit against the taxes imposed by 15-30-103 or 15-31-101 in an amount equal to 30% of the present value of the aggregate amount of the charitable gift portion of a planned gift made by the taxpayer during the year to any qualified endowment. The maximum credit that may be claimed by a taxpayer for contributions made from all sources in a year is \$6,600. The credit allowed under this section may not exceed the taxpayer's income tax liability.

(2) The credit allowed under this section may not be claimed by an individual taxpayer if the taxpayer has included the full amount of the contribution upon which the amount of the credit was computed as a deduction under 15-30-121(1) or 15-30-136(2).

(3) There is no carryback or carryforward of the credit permitted under this section, and the credit must be applied to the tax year in which the contribution is made. (*Terminates June 30, 2003—sec. 11(1), Ch. 24, Sp. L. August 2002.*)

15-30-166. (Applicable July 1, 2003) Credit for contributions to qualified endowment. (1) A taxpayer is allowed a tax credit against the taxes imposed by 15-30-103 or 15-31-101 in an amount equal to 50% of the present value of the aggregate amount of the charitable gift portion of a planned gift made by the taxpayer during the year to any qualified endowment. The maximum credit that may be claimed by a taxpayer for contributions made from all sources in a year is \$13,400. The credit allowed under this section may not exceed the taxpayer's income tax liability.

(2) The credit allowed under this section may not be claimed by an individual taxpayer if the taxpayer has included the full amount of the contribution upon which the amount of the credit was computed as a deduction under 15-30-121(1) or 15-30-136(2).

(3) There is no carryback or carryforward of the credit permitted under this section, and the credit must be applied to the tax year in which the contribution is made. (*Terminates April 30, 2004—sec. 11(2), Ch. 24, Sp. L. August 2002.*)

15-30-166. (Applicable May 1, 2004) Credit for contributions to qualified endowment. (1) A taxpayer is allowed a tax credit against the taxes imposed by 15-30-103 or 15-31-101 in an amount equal to 40% of the present value of the aggregate amount of the charitable gift portion of a planned gift made by the taxpayer during the year to any qualified endowment. The maximum credit that may be claimed by a taxpayer for contributions made from all sources in a year is \$10,000. The credit allowed under this section may not exceed the taxpayer's income tax liability.

(2) The credit allowed under this section may not be claimed by an individual taxpayer if the taxpayer has included the full amount of the contribution upon which the amount of the credit was computed as a deduction under 15-30-121(1) or 15-30-136(2).

(3) There is no carryback or carryforward of the credit permitted under this section, and the credit must be applied to the tax year in which the contribution is made. (*Terminates December 31, 2007—sec. 5, Ch. 226, L. 2001.*)

History: En. Sec. 2, Ch. 537, L. 1997; amd. Sec. 2, Ch. 226, L. 2001; amd. Secs. 1, 2, Ch. 24, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: (Temporary version) Chapter 24 in (1) in first sentence reduced percentage of present value of aggregate gift from 40% to 30% and in second sentence reduced maximum credit from \$10,000 to \$6,600. Amendment effective August 28, 2002, and terminates June 30, 2003.

(Version applicable July 1, 2003) Chapter 24 in (1) in first sentence increased percentage of present value of aggregate gift from 40% to 50% and in second sentence increased maximum credit from \$10,000 to \$13,400. Amendment effective August 28, 2002, and terminates April 30, 2004.

Applicability: Section 10, Ch. 24, Sp. L. August 2002, provided: "(1) [Sections 1, 3, 5, and 7] [temporary versions of 15-30-166, 15-30-167, 15-31-161, and 15-31-162] apply to charitable gifts made on or after [the effective date of this act]." Effective August 28, 2002.

"(2) [Sections 2, 4, 6, and 8] [versions of 15-30-166, 15-30-167, 15-31-161, and 15-31-162 applicable on July 1, 2003] apply to charitable gifts made on or after July 1, 2003."

15-30-167. (Temporary) Beneficiaries of estates — credit for contribution to qualified endowment. A contribution to a qualified endowment, as defined in 15-30-165, by an estate qualifies for the credit provided in 15-30-166 if the contribution is a planned gift or in 15-31-161 if the contribution is an outright gift to a qualified endowment. Any credit not used by the estate may be attributed to each beneficiary of the estate in the same proportion used to report the beneficiary's income from the estate for Montana income tax purposes. The maximum amount of credit that a beneficiary may claim is \$6,600, subject to the limitation in 15-30-166(2), and the credit must be claimed in the year in which the contribution is made. The credit may not be carried forward or carried back. (*Terminates June 30, 2003—sec. 11(1), Ch. 24, Sp. L. August 2002.*)

15-30-167. (Applicable July 1, 2003) Beneficiaries of estates — credit for contribution to qualified endowment. A contribution to a qualified endowment, as defined in 15-30-165, by an estate qualifies for the credit provided in 15-30-166 if the contribution is a planned gift or in 15-31-161 if the contribution is an outright gift to a qualified endowment. Any credit not used by the estate may be attributed to each beneficiary of the estate in the same proportion used to report the beneficiary's income from the estate for Montana income tax purposes. The maximum amount of credit that a beneficiary may claim is \$13,400, subject to the limitation in 15-30-166(2), and the credit must be claimed in the year in which the contribution is made. The credit may not be carried forward or carried back. (*Terminates April 30, 2004—sec. 11(2), Ch. 24, Sp. L. August 2002.*)

15-30-167. (Applicable May 1, 2004) Beneficiaries of estates — credit for contribution to qualified endowment. A contribution to a qualified endowment, as defined in 15-30-165, by an estate qualifies for the credit provided in 15-30-166 if the contribution is a planned gift or in 15-31-161 if the contribution is an outright gift to a qualified endowment. Any credit not used by the estate may be attributed to each beneficiary of the estate in the same proportion used to report the beneficiary's income from the estate for Montana income tax purposes. The maximum amount of credit that a beneficiary may claim is \$10,000, subject to the limitation in 15-30-166(2), and the credit must be claimed in the year in which the contribution is made. The credit may not be carried forward or carried back. (*Terminates December 31, 2007—sec. 5, Ch. 226, L. 2001.*)

History: En. Sec. 5, Ch. 537, L. 1997; amd. Secs. 3, 4, Ch. 24, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: (Temporary version) Chapter 24 in third sentence reduced maximum credit from \$10,000 to \$6,600. Amendment effective August 28, 2002, and terminates June 30, 2003.

(Version applicable July 1, 2003) Chapter 24 in third sentence increased maximum credit from \$10,000 to \$13,400. Amendment effective August 28, 2002, and terminates April 30, 2004.

Applicability: Section 10, Ch. 24, Sp. L. August 2002, provided: "(1) [Sections 1, 3, 5, and 7] [temporary versions of 15-30-166, 15-30-167, 15-31-161, and 15-31-162] apply to charitable gifts made on or after [the effective date of this act]." Effective August 28, 2002.

"(2) [Sections 2, 4, 6, and 8] [versions of 15-30-166, 15-30-167, 15-31-161, and 15-31-162 applicable on July 1, 2003] apply to charitable gifts made on or after July 1, 2003."

CHAPTER 31

CORPORATION LICENSE OR INCOME TAX

15-31-161. (Temporary) Credit for contribution by corporations to qualified endowment. A corporation is allowed a credit in an amount equal to 13.3% of a charitable gift against the taxes otherwise due under 15-31-101 for charitable contributions made to a qualified endowment, as defined in 15-30-165. The maximum credit that may be claimed by a corporation for contributions made from all sources in a year under this section is \$6,600. The credit allowed under this section may not exceed the corporate taxpayer's income tax liability. The credit allowed under this section may not be claimed by a corporation if the taxpayer has included the full amount of the contribution upon which the amount of the credit was computed as a deduction under 15-31-114. There is no carryback or carryforward of the credit permitted under this section, and the credit must be applied to the tax year in which the contribution is made. (*Terminates June 30, 2003—sec. 11(1), Ch. 24, Sp. L. August 2002.*)

15-31-161. (Applicable July 1, 2003) Credit for contribution by corporations to qualified endowment. A corporation is allowed a credit in an amount equal to 26.7% of a charitable gift against the taxes otherwise due under 15-31-101 for charitable contributions made to a qualified endowment, as defined in 15-30-165. The maximum credit that may be claimed by a corporation for contributions made from all sources in a year under this section is \$13,400. The credit allowed under this section may not exceed the corporate taxpayer's income tax liability. The credit allowed under this section may not be claimed by a corporation if the taxpayer has included the full amount of the contribution upon which the amount of the credit was computed as a deduction under 15-31-114. There is no carryback or carryforward of the credit permitted under this section, and the credit must be applied to the tax year in which the contribution is made. (*Terminates April 30, 2004—sec. 11(2), Ch. 24, Sp. L. August 2002.*)

15-31-161. (Applicable May 1, 2004) Credit for contribution by corporations to qualified endowment. A corporation is allowed a credit in an amount equal to 20% of a charitable gift against the taxes otherwise due under 15-31-101 for charitable contributions made to a qualified endowment, as defined in 15-30-165. The maximum credit that may be claimed by a corporation for contributions made from all sources in a year under this section is \$10,000. The credit allowed under this section may not exceed the corporate taxpayer's income tax liability. The credit allowed under this section may not be claimed by a corporation if the taxpayer has included the full amount of the contribution upon which the amount of the credit was computed as a deduction under 15-31-114. There is no carryback or carryforward of the credit permitted under this section, and the credit must be applied to the tax year in which the contribution is made. (*Terminates December 31, 2007—sec. 5, Ch. 226, L. 2001.*)

History: En. Sec. 3, Ch. 537, L. 1997; amd. Sec. 3, Ch. 226, L. 2001; amd. Secs. 5, 6, Ch. 24, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: (Temporary version) Chapter 24 in first sentence reduced percentage of gift credit from 20% to 13.3% and in second sentence reduced maximum credit from \$10,000 to \$6,600. Amendment effective August 28, 2002, and terminates June 30, 2003.

(Version applicable July 1, 2003) Chapter 24 in first sentence increased percentage of gift credit from 20% to 26.7% and in second sentence increased maximum credit from \$10,000 to \$13,400. Amendment effective August 28, 2002, and terminates April 30, 2004.

Applicability: Section 10, Ch. 24, Sp. L. August 2002, provided: "(1) [Sections 1, 3, 5, and 7] [temporary versions of 15-30-166, 15-30-167, 15-31-161, and 15-31-162] apply to charitable gifts made on or after [the effective date of this act]." Effective August 28, 2002.

"(2) [Sections 2, 4, 6, and 8] [versions of 15-30-166, 15-30-167, 15-31-161, and 15-31-162 applicable on July 1, 2003] apply to charitable gifts made on or after July 1, 2003."

15-31-162. (Temporary) Small business corporation, partnership, and limited liability company credit for contribution to qualified endowment. A contribution to a qualified endowment, as defined in 15-30-165, by a small business corporation, as defined in 15-30-1101, a partnership, or a limited liability company, as defined in 35-8-102, carrying on any trade or business for which deductions would be allowed under section 162 of the Internal Revenue Code, 26 U.S.C. 162, or carrying on any rental activity qualifies for the credit provided in 15-31-161. The credit must be attributed to shareholders, partners, or members or managers of a limited liability company in the same proportion used to report the corporation's, partnership's, or limited liability company's income or loss for Montana income tax purposes. The maximum credit that a shareholder of a small business corporation, a partner of a partnership, or a member or manager of a limited liability company may claim in a year is \$6,600, subject to the limitations in 15-30-166(2). The credit allowed under this section may not exceed the taxpayer's income tax liability. There is no carryback or carryforward of the credit permitted under this section, and the credit must be applied to the tax year in which the contribution is made. (*Terminates June 30, 2003—sec. 11(1), Ch. 24, Sp. L. August 2002.*)

15-31-162. (Applicable July 1, 2003) Small business corporation, partnership, and limited liability company credit for contribution to qualified endowment. A contribution to a qualified endowment, as defined in 15-30-165, by a small business corporation, as defined in 15-30-1101, a partnership, or a limited liability company, as defined in 35-8-102, carrying on any trade or business for which deductions would be allowed under section 162 of the Internal Revenue Code, 26 U.S.C. 162, or carrying on any rental activity

qualifies for the credit provided in 15-31-161. The credit must be attributed to shareholders, partners, or members or managers of a limited liability company in the same proportion used to report the corporation's, partnership's, or limited liability company's income or loss for Montana income tax purposes. The maximum credit that a shareholder of a small business corporation, a partner of a partnership, or a member or manager of a limited liability company may claim in a year is \$13,400, subject to the limitations in 15-30-166(2). The credit allowed under this section may not exceed the taxpayer's income tax liability. There is no carryback or carryforward of the credit permitted under this section, and the credit must be applied to the tax year in which the contribution is made. (*Terminates April 30, 2004—sec. 11(2), Ch. 24, Sp. L. August 2002.*)

15-31-162. (Applicable May 1, 2004) Small business corporation, partnership, and limited liability company credit for contribution to qualified endowment. A contribution to a qualified endowment, as defined in 15-30-165, by a small business corporation, as defined in 15-30-1101, a partnership, or a limited liability company, as defined in 35-8-102, carrying on any trade or business for which deductions would be allowed under section 162 of the Internal Revenue Code, 26 U.S.C. 162, or carrying on any rental activity qualifies for the credit provided in 15-31-161. The credit must be attributed to shareholders, partners, or members or managers of a limited liability company in the same proportion used to report the corporation's, partnership's, or limited liability company's income or loss for Montana income tax purposes. The maximum credit that a shareholder of a small business corporation, a partner of a partnership, or a member or manager of a limited liability company may claim in a year is \$10,000, subject to the limitations in 15-30-166(2). The credit allowed under this section may not exceed the taxpayer's income tax liability. There is no carryback or carryforward of the credit permitted under this section, and the credit must be applied to the tax year in which the contribution is made. (*Terminates December 31, 2007—sec. 5, Ch. 226, L. 2001.*)

History: En. Sec. 4, Ch. 537, L. 1997; amd. Sec. 4, Ch. 226, L. 2001; amd. Secs. 7, 8, Ch. 24, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: (Temporary version) Chapter 24 in third sentence reduced maximum credit from \$10,000 to \$6,600. Amendment effective August 28, 2002, and terminates June 30, 2003.

(Version applicable July 1, 2003) Chapter 24 in third sentence increased maximum credit from \$10,000 to \$13,400. Amendment effective August 28, 2002, and terminates April 30, 2004.

Applicability: Section 10, Ch. 24, Sp. L. August 2002, provided: "(1) [Sections 1, 3, 5, and 7] [temporary versions of 15-30-166, 15-30-167, 15-31-161, and 15-31-162] apply to charitable gifts made on or after [the effective date of this act]." Effective August 28, 2002.

"(2) [Sections 2, 4, 6, and 8] [versions of 15-30-166, 15-30-167, 15-31-161, and 15-31-162 applicable on July 1, 2003] apply to charitable gifts made on or after July 1, 2003."

CHAPTER 35 COAL SEVERANCE TAX

15-35-108. (Temporary) Disposal of severance taxes. Severance taxes collected under this chapter must, in accordance with the provisions of 15-1-501, be allocated as follows:

(1) Fifty percent of total coal severance tax collections is allocated to the trust fund created by Article IX, section 5, of the Montana constitution. The trust fund money must be deposited in the fund established under 17-6-203(6) and invested by the board of investments as provided by law.

(2) For the fiscal year ending June 30, 2003, the amount of 10% and for fiscal years beginning on or after July 1, 2003, the amount of 12% of coal severance tax collections is allocated to the long-range building program account established in 17-7-205.

(3) For the fiscal year ending June 30, 2003, the amount of 6.01% and for fiscal years beginning on or after July 1, 2003, the amount of 7.75% must be credited to an account in the state special revenue fund to be allocated by the legislature for local impacts, provision of basic library services for the residents of all counties through library federations and for payment of the costs of participating in regional and national networking, conservation districts, and the Montana Growth Through Agriculture Act. Expenditures of the allocation may be made only

from this account. Money may not be transferred from this account to another account other than the general fund. Any unreserved fund balance at the end of each fiscal year must be deposited in the general fund.

(4) For fiscal years beginning on or after July 1, 2003, the amount of 1.27% must be allocated to a permanent fund account for the purpose of parks acquisition or management. Income from this permanent fund account, excluding unrealized gains and losses, must be appropriated for the acquisition, development, operation, and maintenance of any sites and areas described in 23-1-102.

(5) The amount of 0.95% must be allocated to the debt service fund type to the credit of the renewable resource loan debt service fund.

(6) For fiscal years beginning on or after July 1, 2003, the amount of 0.63% must be allocated to a trust fund for the purpose of protection of works of art in the capitol and for other cultural and aesthetic projects. Income from this trust fund, excluding unrealized gains and losses, must be appropriated for protection of works of art in the state capitol and for other cultural and aesthetic projects.

(7) (a) Subject to subsections (7)(b) and (7)(c), all other revenue from severance taxes collected under the provisions of this chapter must be credited to the general fund of the state.

(b) The interest income from \$140 million of the coal severance tax permanent fund that is deposited in the general fund is statutorily appropriated, as provided in 17-7-502, on an annual basis as follows:

(i) \$65,000 to the cooperative development center;

(ii) for the fiscal year beginning July 1, 2001, \$1.25 million, for the fiscal year beginning July 1, 2002, \$925,000, and for fiscal years beginning on or after July 1, 2003, \$1.25 million for the growth through agriculture program provided for in Title 90, chapter 9;

(iii) to the department of commerce:

(A) \$125,000 for a small business development center;

(B) \$50,000 for a small business innovative research program;

(C) except for the fiscal year beginning July 1, 2002, \$425,000 for certified communities;

(D) \$200,000 for the Montana manufacturing extension center at Montana state university-Bozeman; and

(E) \$300,000 for export trade enhancement;

(iv) \$175,000 to the office of economic development for business recruitment and retention; and

(v) \$600,000 to the department of administration for the purpose of reimbursing tax increment financing industrial districts as provided in 7-15-4299. Reimbursement must be made to qualified districts on a proportional basis to the loss of taxable value as a result of Chapter 285, Laws of 1999, and as documented by the department of revenue. This documentation must be provided to the budget director and to the legislative fiscal analyst. The reimbursement may not be used to pay debt service on tax increment bonds to the extent that the bonds are secured by a guaranty, a letter of credit, or a similar arrangement provided by or on behalf of an owner of property within the district.

(c) For the fiscal year beginning July 1, 2001, there is transferred from the interest income referred to in subsection (7)(b) \$4.85 million to the research and commercialization state special revenue account created in 90-3-1002. For the fiscal year beginning July 1, 2002, there is transferred from the interest income referred to in subsection (7)(b) \$3.165 million to the research and commercialization state special revenue account created in 90-3-1002. Beginning July 1, 2003, there is transferred annually from the interest income referred to in subsection (7)(b) \$3.65 million to the research and commercialization state special revenue account created in 90-3-1002. (*Terminates June 30, 2005—sec. 10(2), Ch. 10, Sp. L. May 2000; sec. 8(1), Ch. 12, Sp. L. August 2002.*)

15-35-108. (Effective July 1, 2005) Disposal of severance taxes. Severance taxes collected under this chapter must, in accordance with the provisions of 15-1-501, be allocated as follows:

(1) Fifty percent of total coal severance tax collections is allocated to the trust fund created by Article IX, section 5, of the Montana constitution. The trust fund money must be deposited

in the fund established under 17-6-203(6) and invested by the board of investments as provided by law.

(2) Twelve percent of coal severance tax collections is allocated to the long-range building program account established in 17-7-205.

(3) The amount of 7.75% must be credited to an account in the state special revenue fund to be allocated by the legislature for local impacts, provision of basic library services for the residents of all counties through library federations and for payment of the costs of participating in regional and national networking, conservation districts, and the Montana Growth Through Agriculture Act. Expenditures of the allocation may be made only from this account. Money may not be transferred from this account to another account other than the general fund. Any unreserved fund balance at the end of each fiscal year must be deposited in the general fund.

(4) The amount of 1.27% must be allocated to a permanent fund account for the purpose of parks acquisition or management. Income from this permanent fund account, excluding unrealized gains and losses, must be appropriated for the acquisition, development, operation, and maintenance of any sites and areas described in 23-1-102.

(5) The amount of 0.95% must be allocated to the debt service fund type to the credit of the renewable resource loan debt service fund.

(6) The amount of 0.63% must be allocated to a trust fund for the purpose of protection of works of art in the capitol and for other cultural and aesthetic projects. Income from this trust fund account, excluding unrealized gains and losses, must be appropriated for protection of works of art in the state capitol and for other cultural and aesthetic projects.

(7) All other revenue from severance taxes collected under the provisions of this chapter must be credited to the general fund of the state.

History: En. 84-1309.1 by Sec. 2, Ch. 432, L. 1973; amd. Sec. 1, Ch. 250, L. 1974; amd. Sec. 4, Ch. 501, L. 1975; amd. Sec. 3, Ch. 502, L. 1975; amd. and redes. 84-1319 by Sec. 8, Ch. 525, L. 1975; amd. Sec. 2, Ch. 156, L. 1977; amd. Sec. 1, Ch. 540, L. 1977; amd. Sec. 2, Ch. 549, L. 1977; R.C.M. 1947, 84-1319; amd. Sec. 1, Ch. 653, L. 1979; amd. Sec. 1, Ch. 694, L. 1979; amd. Sec. 1, Ch. 479, L. 1981; amd. Sec. 43, Ch. 505, L. 1981; amd. Sec. 3, Ch. 281, L. 1983; amd. Sec. 5, Ch. 541, L. 1983; amd. Sec. 1, Ch. 246, L. 1985; amd. Sec. 1, Ch. 715, L. 1985; amd. Sec. 1, Ch. 3, Sp. L. June 1986; amd. Sec. 1, Ch. 19, Sp. L. June 1986; amd. Sec. 1, Ch. 662, L. 1987; amd. Sec. 17, Ch. 83, L. 1989; amd. Sec. 1, Ch. 626, L. 1989; amd. Sec. 4, Ch. 11, Sp. L. June 1989; amd. Sec. 13, Ch. 16, L. 1991; amd. Sec. 3, Ch. 191, L. 1991; amd. Sec. 1, Ch. 615, L. 1991; amd. Sec. 1, Ch. 8, Sp. L. January 1992; amd. Sec. 1, Ch. 16, Sp. L. January 1992; amd. Sec. 5, Ch. 455, L. 1993; amd. Sec. 1, Ch. 536, L. 1993; amd. Sec. 12, Ch. 18, L. 1995; amd. Sec. 1, Ch. 442, L. 1995; amd. Sec. 1, Ch. 456, L. 1995; amd. Sec. 7, Ch. 509, L. 1995; amd. Sec. 9, Ch. 422, L. 1997; amd. Sec. 10, Ch. 469, L. 1997; amd. Sec. 8, Ch. 389, L. 1999; amd. Secs. 1, 2, Ch. 10, Sp. L. May 2000; amd. Secs. 3, 38, Ch. 34, L. 2001; amd. Sec. 1, Ch. 61, L. 2001; amd. Sec. 41, Ch. 483, L. 2001; amd. Sec. 2, Ch. 9, Sp. L. August 2002; amd. Sec. 1, Ch. 12, Sp. L. August 2002; amd. Sec. 7, Ch. 13, Sp. L. August 2002.

Compiler's Comments

2002 Amendments — Composite Section: (Temporary version) Chapter 9 at beginning of first sentence of (7)(c) substituted "For the fiscal year beginning July 1, 2001" for "Beginning July 1, 2001" and after "transferred" deleted "annually", inserted second sentence transferring \$3.165 million from interest income to research and commercialization account for fiscal year July 1, 2002, and inserted third sentence transferring \$3.65 million annually from interest income to research and commercialization account beginning July 1, 2003. Amendment effective August 16, 2002.

(Temporary version) Chapter 12 at beginning of (2) inserted clause concerning 10% allocation to long-range building program account for the fiscal year ending June 30, 2003; at beginning of (3) inserted clause allocating 6.01% to state special revenue account for the fiscal year ending June 30, 2003; at beginning of (4) and (6) inserted clause concerning fiscal years beginning on or after July 1, 2003; in (7)(b)(ii) at beginning inserted clause concerning the fiscal year beginning July 1, 2001, and after "\$1.25 million" inserted allocation of \$925,000 for the fiscal year beginning July 1, 2002, and language concerning \$1.25 million allocation for fiscal years beginning on or after July 1, 2003; in (7)(b)(iii)(C) inserted exception clause concerning the fiscal year beginning July 1, 2002; in (7)(b)(iv) reduced amount from \$350,000 to \$175,000; and made minor changes in style. Amendment effective August 16, 2002, and terminates June 30, 2005.

(Both versions) Chapter 13 in (3) near beginning of first sentence reduced percentage to 7.75% from 8.36% and near middle after "local impacts" deleted "county land planning". Amendment effective August 16, 2002.

Retroactive Applicability: Section 4, Ch. 9, Sp. L. August 2002, provided: "[This act] applies retroactively, within the meaning of 1-2-109, to transfers in fiscal years beginning July 1, 2001."

Section 7, Ch. 12, Sp. L. August 2002, provided: "[This act] applies retroactively, within the meaning of 1-2-109, to July 1, 2002."

Section 36(2), Ch. 13, Sp. L. August 2002, provided: "(2) [Sections 3, 4, 7, 15, 16, 18, 20, 21, and 34] apply retroactively, within the meaning of 1-2-109, to July 1, 2001."

CHAPTER 36

OIL AND GAS PRODUCTION TAX

15-36-324. (Temporary) Distribution of taxes — rules. (1) For each calendar quarter, the department shall determine the amount of tax, late payment interest, and penalty collected under this part. For purposes of distribution of the taxes to county and school taxing units, the department shall determine the amount of oil and natural gas production taxes paid on production in the taxing unit.

(2) Except as provided in subsections (3) through (5), oil production taxes must be distributed as follows:

(a) The amount equal to 39.3% of the oil production taxes, including late payment interest and penalty, collected under this part must be distributed as provided in subsection (9).

(b) The remaining 60.7% of the oil production taxes, plus accumulated interest earned on the amount allocated under this subsection (2)(b), must be deposited in the state special revenue fund in the state treasury and transferred to the county and school taxing units for distribution as provided in subsection (12).

(3) The amount equal to 100% of the oil production taxes, including late payment interest and penalty, collected from working interest owners on qualifying production occurring during the first 12 months of production must be distributed as provided in subsection (10).

(4) (a) The amount equal to 100% of the oil production taxes, including late payment interest and penalty, collected from working interest owners on production from horizontally completed wells occurring during the first 18 months of production must be distributed as provided in subsection (10).

(b) The amount equal to 100% of the oil production taxes, including late payment interest and penalty, collected from working interest owners on the incremental production from horizontally recompleted wells occurring during the first 18 months of production must be distributed as provided in subsection (9).

(5) (a) The amount equal to 13.8% of the oil production taxes, including late payment interest and penalty, collected from working interest owners on the first 10 barrels of stripper oil production wells must be distributed as provided in subsection (10).

(b) The remaining 86.2% of the oil production taxes, plus accumulated interest earned on the amount allocated under this subsection (5)(b), must be deposited in the state special revenue fund in the state treasury and transferred to the county and school taxing units for distribution as provided in subsection (12).

(c) The amount equal to 100% of the oil production taxes, including late payment interest and penalty, collected from working interest owners on stripper well exemption production from pre-1999 wells and post-1999 wells must be distributed as provided in subsection (10).

(6) Except as provided in subsections (7) and (8), natural gas production taxes must be allocated as follows:

(a) The amount equal to 14% of the natural gas production taxes, including late payment interest and penalty, collected under this part must be distributed as provided in subsection (11).

(b) The remaining 86% of the natural gas production taxes, plus accumulated interest earned on the amount allocated under this subsection (6)(b), must be deposited in the state special revenue fund in the state treasury and transferred to the county and school taxing units for distribution as provided in subsection (12).

(7) The amount equal to 100% of the natural gas production taxes, including late payment interest and penalty, collected from working interest owners under this part on production from wells occurring during the first 12 months of production must be distributed as provided in subsection (10).

(8) The amount equal to 100% of natural gas production taxes, including late payment interest and penalty, collected from working interest owners on production from horizontally completed wells occurring during the first 18 months of production must be distributed as provided in subsection (10).

(9) The department shall, in accordance with the provisions of 15-1-501, distribute the state portion of oil production taxes specified in subsections (2)(a) and (4)(b), including late payment interest and penalty collected, as follows:

- (a) 86.21% to the state general fund;
- (b) 5.17% to the state special revenue fund for the purpose of paying expenses of the board as provided in 82-11-135; and
- (c) 8.62% to be distributed as follows:
 - (i) a total of \$400,000, including the proceeds from subsections (10)(b)(i) and (11)(c)(i), to the coal bed methane protection account established in 76-15-904;
 - (ii) for the fiscal year ending June 30, 2003, all of the remaining proceeds to the state general fund;
 - (iii) for the fiscal years beginning on or after July 1, 2003, 50% of the remaining proceeds to the reclamation and development grants special revenue account established in 90-2-1104; and
 - (iv) for the fiscal years beginning on or after July 1, 2003, 50% of the remaining proceeds to the orphan share account established in 75-10-743.

(10) The department shall distribute the state portion of oil and natural gas production taxes specified in subsections (3), (4)(a), (5)(a), (5)(c), (7), and (8), including late payment interest and penalty collected, as follows:

- (a) 37.5% to the state special revenue fund for the purpose of paying expenses of the board as provided in 82-11-135; and
- (b) 62.5% to be distributed as follows:
 - (i) a total of \$400,000, including the proceeds from subsections (9)(c)(i) and (11)(c)(i), to the coal bed methane protection account established in 76-15-904;
 - (ii) for the fiscal year ending June 30, 2003, all of the remaining proceeds to the state general fund;
 - (iii) for the fiscal years beginning on or after July 1, 2003, 50% of the remaining proceeds to the reclamation and development grants special revenue account established in 90-2-1104; and
 - (iv) for the fiscal years beginning on or after July 1, 2003, 50% of the remaining proceeds to the orphan share account established in 75-10-743.

(11) The department shall, in accordance with the provisions of 15-1-501, distribute the state portion of natural gas production taxes specified in subsection (6)(a), including late payment interest and penalty collected, as follows:

- (a) 76.8% to the state general fund;
- (b) 8.7% to the state special revenue fund for the purpose of paying expenses of the board as provided in 82-11-135; and
- (c) 14.5% to be distributed as follows:
 - (i) a total of \$400,000, including the proceeds from subsections (9)(c)(i) and (10)(b)(i), to the coal bed methane protection account established in 76-15-904;
 - (ii) for the fiscal year ending June 30, 2003, all of the remaining proceeds to the state general fund;
 - (iii) for the fiscal years beginning on or after July 1, 2003, 50% of the remaining proceeds to the reclamation and development grants special revenue account established in 90-2-1104; and
 - (iv) for the fiscal years beginning on or after July 1, 2003, 50% of the remaining proceeds to the orphan share account established in 75-10-743.

(12) (a) By the dates referred to in subsection (13), the department shall, except as provided in subsection (12)(b), calculate and distribute oil and natural gas production taxes received under subsections (2)(b), (5)(b), and (6)(b) to each eligible county in proportion to the oil and natural gas production taxes received under subsections (2)(b), (5)(b), and (6)(b) that are attributable to production in that county.

(b) The department shall distribute 5% of the oil and natural gas production taxes received under subsections (2)(b), (5)(b), and (6)(b) from pre-1999 wells to eligible counties in proportion to the underfunding that would have occurred from the tax liability distribution of pre-1985 oil and natural gas production taxes for production in calendar year 1997.

(c) Except as provided in subsection (12)(d), the county treasurer shall distribute the money received under subsection (12)(b) to the taxing units that levied mills in fiscal year 1990

against calendar year 1988 production in the same manner that all other property tax proceeds were distributed during fiscal year 1990 in the taxing unit, except that a distribution may not be made to a municipal taxing unit.

(d) The board of county commissioners of a county may direct the county treasurer to reallocate the distribution of oil and natural gas production tax money that would have gone to a taxing unit, as provided in subsection (12)(c), to another taxing unit or taxing units, other than an elementary school or high school, within the county under the following conditions:

(i) The county treasurer shall first allocate the oil and natural gas production taxes to the taxing units within the county in the same proportion that all other property tax proceeds were distributed in the county in fiscal year 1990.

(ii) If the allocation in subsection (12)(d)(i) exceeds the total budget for a taxing unit, the commissioners may direct the county treasurer to allocate the excess to any taxing unit within the county.

(e) The board of trustees of an elementary or high school district may reallocate the oil and natural gas production taxes distributed to the district by the county treasurer under the following conditions:

(i) The district shall first allocate the oil and natural gas production taxes to the budgeted funds of the district in the same proportion that all other property tax proceeds were distributed in the district in fiscal year 1990.

(ii) If the allocation under subsection (12)(e)(i) exceeds the total budget for a fund, the trustees may allocate the excess to any budgeted fund of the school district.

(f) The county treasurer shall distribute oil and natural gas production taxes received under subsection (12)(a) between county and school taxing units in the relative proportions required by the levies for state, county, and school district purposes in the same manner as property taxes were distributed in the preceding fiscal year.

(g) The allocation to the county in subsection (12)(f) must be distributed by the county treasurer in the relative proportions required by the levies for county taxing units and in the same manner as property taxes were distributed in the preceding fiscal year.

(h) The money distributed in subsection (12)(f) that is required for the county mill levies for school district retirement obligations and transportation schedules must be deposited to the funds established for these purposes.

(i) The oil and natural gas production taxes distributed under subsection (12)(c) that are required for the 6-mill university levy imposed under 20-25-423 and for the county equalization levies imposed under 20-9-331 and 20-9-333, as those sections read on July 1, 1989, must be remitted by the county treasurer to the department.

(j) The oil and natural gas production taxes distributed under subsection (12)(f) that are required for the 6-mill university levy imposed under 20-25-423, for the county equalization levies imposed under 20-9-331 and 20-9-333, and for the state equalization aid levy imposed under 20-9-360 must be remitted by the county treasurer to the department.

(k) The amount of oil and natural gas production taxes remaining after the treasurer has remitted the amounts determined in subsections (12)(i) and (12)(j) is for the exclusive use and benefit of the county and school taxing units.

(13) The department shall remit the amounts to be distributed in subsection (12) to the county treasurer by the following dates:

(a) On or before August 1 of each year, the department shall remit to the county treasurer oil and natural gas production tax payments received for the calendar quarter ending March 31 of the current year.

(b) On or before November 1 of each year, the department shall remit to the county treasurer oil and natural gas production tax payments received for the calendar quarter ending June 30 of the current year.

(c) On or before February 1 of each year, the department shall remit to the county treasurer oil and natural gas production tax payments received for the calendar quarter ending September 30 of the previous year.

(d) On or before May 1 of each year, the department shall remit to the county treasurer oil and natural gas production tax payments received for the calendar quarter ending December 31 of the previous calendar year.

(14) The department shall provide to each county by May 31 of each year the amount of gross taxable value represented by all types of production taxed under 15-36-304 for the previous calendar year multiplied by 60%. The resulting value must be treated as taxable value for county classification purposes.

(15) (a) In the event that the board revises the privilege and license tax pursuant to 82-11-131, the department shall, by rule, change the formula under this section for distribution of taxes collected under 15-36-304. The revised formula must provide for the distribution of taxes in an amount equal to the rate adopted by the board for its expenses.

(b) Before the department adopts a rule pursuant to subsection (15)(a), it shall present the proposed rule to the appropriate administrative rule review committee.

(16) The distribution to taxing units under this section is statutorily appropriated as provided in 17-7-502. (*Terminates June 30, 2011—sec. 10, Ch. 531, L. 2001; sec. 8(2), Ch. 12, Sp. L. August 2002.*)

15-36-324. (Effective July 1, 2011) Distribution of taxes — rules. (1) For each calendar quarter, the department shall determine the amount of tax, late payment interest, and penalty collected under this part. For purposes of distribution of the taxes to county and school taxing units, the department shall determine the amount of oil and natural gas production taxes paid on production in the taxing unit.

(2) Except as provided in subsections (3) through (5), oil production taxes must be distributed as follows:

(a) The amount equal to 39.3% of the oil production taxes, including late payment interest and penalty, collected under this part must be distributed as provided in subsection (9).

(b) The remaining 60.7% of the oil production taxes, plus accumulated interest earned on the amount allocated under this subsection (2)(b), must be deposited in the state special revenue fund in the state treasury and transferred to the county and school taxing units for distribution as provided in subsection (12).

(3) The amount equal to 100% of the oil production taxes, including late payment interest and penalty, collected from working interest owners on qualifying production occurring during the first 12 months of production must be distributed as provided in subsection (10).

(4) (a) The amount equal to 100% of the oil production taxes, including late payment interest and penalty, collected from working interest owners on production from horizontally completed wells occurring during the first 18 months of production must be distributed as provided in subsection (10).

(b) The amount equal to 100% of the oil production taxes, including late payment interest and penalty, collected from working interest owners on the incremental production from horizontally recompleted wells occurring during the first 18 months of production must be distributed as provided in subsection (9).

(5) (a) The amount equal to 13.8% of the oil production taxes, including late payment interest and penalty, collected from working interest owners on the first 10 barrels of stripper oil production wells must be distributed as provided in subsection (10).

(b) The remaining 86.2% of the oil production taxes, plus accumulated interest earned on the amount allocated under this subsection (5)(b), must be deposited in the state special revenue fund in the state treasury and transferred to the county and school taxing units for distribution as provided in subsection (12).

(c) The amount equal to 100% of the oil production taxes, including late payment interest and penalty, collected from working interest owners on stripper well exemption production from pre-1999 wells and post-1999 wells must be distributed as provided in subsection (10).

(6) Except as provided in subsections (7) and (8), natural gas production taxes must be allocated as follows:

(a) The amount equal to 14% of the natural gas production taxes, including late payment interest and penalty, collected under this part must be distributed as provided in subsection (11).

(b) The remaining 86% of the natural gas production taxes, plus accumulated interest earned on the amount allocated under this subsection (6)(b), must be deposited in the state special revenue fund in the state treasury and transferred to the county and school taxing units for distribution as provided in subsection (12).

(7) The amount equal to 100% of the natural gas production taxes, including late payment interest and penalty, collected from working interest owners under this part on production from wells occurring during the first 12 months of production must be distributed as provided in subsection (10).

(8) The amount equal to 100% of natural gas production taxes, including late payment interest and penalty, collected from working interest owners on production from horizontally completed wells occurring during the first 18 months of production must be distributed as provided in subsection (10).

(9) The department shall, in accordance with the provisions of 15-1-501, distribute the state portion of oil production taxes specified in subsections (2)(a) and (4)(b), including late payment interest and penalty collected, as follows:

- (a) 86.21% to the state general fund;
- (b) 5.17% to the state special revenue fund for the purpose of paying expenses of the board as provided in 82-11-135; and
- (c) 8.62% to be distributed as follows:
 - (i) 50% to the resource indemnity trust fund of the nonexpendable trust fund type;
 - (ii) 25% to the reclamation and development grants special revenue account established in 90-2-1104; and
 - (iii) 25% to the orphan share account established in 75-10-743.

(10) The department shall distribute the state portion of oil and natural gas production taxes specified in subsections (3), (4)(a), (5)(a), (5)(c), (7), and (8), including late payment interest and penalty collected, as follows:

- (a) 37.5% to the state special revenue fund for the purpose of paying expenses of the board as provided in 82-11-135; and
- (b) 62.5% to be distributed as follows:
 - (i) 50% to the resource indemnity trust fund of the nonexpendable trust fund type;
 - (ii) 25% to the reclamation and development grants special revenue account established by 90-2-1104; and
 - (iii) 25% to the orphan share account established in 75-10-743.

(11) The department shall, in accordance with the provisions of 15-1-501, distribute the state portion of natural gas production taxes specified in subsection (6)(a), including late payment interest and penalty collected, as follows:

- (a) 76.8% to the state general fund;
- (b) 8.7% to the state special revenue fund for the purpose of paying expenses of the board as provided in 82-11-135; and
- (c) 14.5% to be distributed as follows:
 - (i) 50% to the resource indemnity trust fund of the nonexpendable trust fund type;
 - (ii) 25% to the reclamation and development grants special revenue account established in 90-2-1104; and
 - (iii) 25% to the orphan share account established in 75-10-743.

(12) (a) By the dates referred to in subsection (13), the department shall, except as provided in subsection (12)(b), calculate and distribute oil and natural gas production taxes received under subsections (2)(b), (5)(b), and (6)(b) to each eligible county in proportion to the oil and natural gas production taxes received under subsections (2)(b), (5)(b), and (6)(b) that are attributable to production in that county.

(b) The department shall distribute 5% of the oil and natural gas production taxes received under subsections (2)(b), (5)(b), and (6)(b) from pre-1999 wells to eligible counties in proportion to the underfunding that would have occurred from the tax liability distribution of pre-1985 oil and natural gas production taxes for production in calendar year 1997.

(c) Except as provided in subsection (12)(d), the county treasurer shall distribute the money received under subsection (12)(b) to the taxing units that levied mills in fiscal year 1990

against calendar year 1988 production in the same manner that all other property tax proceeds were distributed during fiscal year 1990 in the taxing unit, except that a distribution may not be made to a municipal taxing unit.

(d) The board of county commissioners of a county may direct the county treasurer to reallocate the distribution of oil and natural gas production tax money that would have gone to a taxing unit, as provided in subsection (12)(c), to another taxing unit or taxing units, other than an elementary school or high school, within the county under the following conditions:

(i) The county treasurer shall first allocate the oil and natural gas production taxes to the taxing units within the county in the same proportion that all other property tax proceeds were distributed in the county in fiscal year 1990.

(ii) If the allocation in subsection (12)(d)(i) exceeds the total budget for a taxing unit, the commissioners may direct the county treasurer to allocate the excess to any taxing unit within the county.

(e) The board of trustees of an elementary or high school district may reallocate the oil and natural gas production taxes distributed to the district by the county treasurer under the following conditions:

(i) The district shall first allocate the oil and natural gas production taxes to the budgeted funds of the district in the same proportion that all other property tax proceeds were distributed in the district in fiscal year 1990.

(ii) If the allocation under subsection (12)(e)(i) exceeds the total budget for a fund, the trustees may allocate the excess to any budgeted fund of the school district.

(f) The county treasurer shall distribute oil and natural gas production taxes received under subsection (12)(a) between county and school taxing units in the relative proportions required by the levies for state, county, and school district purposes in the same manner as property taxes were distributed in the preceding fiscal year.

(g) The allocation to the county in subsection (12)(f) must be distributed by the county treasurer in the relative proportions required by the levies for county taxing units and in the same manner as property taxes were distributed in the preceding fiscal year.

(h) The money distributed in subsection (12)(f) that is required for the county mill levies for school district retirement obligations and transportation schedules must be deposited to the funds established for these purposes.

(i) The oil and natural gas production taxes distributed under subsection (12)(c) that are required for the 6-mill university levy imposed under 20-25-423 and for the county equalization levies imposed under 20-9-331 and 20-9-333, as those sections read on July 1, 1989, must be remitted by the county treasurer to the department.

(j) The oil and natural gas production taxes distributed under subsection (12)(f) that are required for the 6-mill university levy imposed under 20-25-423, for the county equalization levies imposed under 20-9-331 and 20-9-333, and for the state equalization aid levy imposed under 20-9-360 must be remitted by the county treasurer to the department.

(k) The amount of oil and natural gas production taxes remaining after the treasurer has remitted the amounts determined in subsections (12)(i) and (12)(j) is for the exclusive use and benefit of the county and school taxing units.

(13) The department shall remit the amounts to be distributed in subsection (12) to the county treasurer by the following dates:

(a) On or before August 1 of each year, the department shall remit to the county treasurer oil and natural gas production tax payments received for the calendar quarter ending March 31 of the current year.

(b) On or before November 1 of each year, the department shall remit to the county treasurer oil and natural gas production tax payments received for the calendar quarter ending June 30 of the current year.

(c) On or before February 1 of each year, the department shall remit to the county treasurer oil and natural gas production tax payments received for the calendar quarter ending September 30 of the previous year.

(d) On or before May 1 of each year, the department shall remit to the county treasurer oil and natural gas production tax payments received for the calendar quarter ending December 31 of the previous calendar year.

(14) The department shall provide to each county by May 31 of each year the amount of gross taxable value represented by all types of production taxed under 15-36-304 for the previous calendar year multiplied by 60%. The resulting value must be treated as taxable value for county classification purposes.

(15) (a) In the event that the board revises the privilege and license tax pursuant to 82-11-131, the department shall, by rule, change the formula under this section for distribution of taxes collected under 15-36-304. The revised formula must provide for the distribution of taxes in an amount equal to the rate adopted by the board for its expenses.

(b) Before the department adopts a rule pursuant to subsection (15)(a), it shall present the proposed rule to the appropriate administrative rule review committee.

(16) The distribution to taxing units under this section is statutorily appropriated as provided in 17-7-502.

History: En. Sec. 18, Ch. 451, L. 1995; amd. Sec. 2, Ch. 453, L. 1995; amd. Sec. 77, Ch. 42, L. 1997; amd. Sec. 10, Ch. 422, L. 1997; amd. Secs. 9, 10, Ch. 466, L. 1997; amd. Sec. 4, Ch. 532, L. 1997; amd. Sec. 39, Ch. 19, L. 1999; amd. Sec. 3, Ch. 488, L. 1999; amd. Sec. 4, Ch. 530, L. 1999; amd. Secs. 5, 6, Ch. 554, L. 1999; amd. Sec. 28, Ch. 29, L. 2001; amd. Sec. 8, Ch. 257, L. 2001; amd. Sec. 2, Ch. 306, L. 2001; amd. Sec. 6, Ch. 531, L. 2001; amd. Sec. 2, Ch. 12, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: (Temporary version) Chapter 12 inserted (9)(c)(ii) concerning allocation to general fund for the fiscal year ending June 30, 2003; at beginning of (9)(c)(iii) and (9)(c)(iv) inserted language concerning fiscal years beginning on or after July 1, 2003; inserted (10)(b)(ii) concerning allocation to general fund for the fiscal year ending June 30, 2003; at beginning of (10)(b)(iii) and (10)(b)(iv) inserted language concerning fiscal years beginning on or after July 1, 2003; inserted (11)(c)(ii) concerning allocation to general fund for the fiscal year ending June 30, 2003; at beginning of (11)(c)(iii) and (11)(c)(iv) inserted language concerning fiscal years beginning on or after July 1, 2003; and made minor changes in style. Amendment effective August 16, 2002, and terminates June 30, 2011.

Retroactive Applicability: Section 7, Ch. 12, Sp. L. August 2002, provided: "[This act] applies retroactively, within the meaning of 1-2-109, to July 1, 2002."

CHAPTER 37 MINING LICENSE TAXES

15-37-102. Gross value of metal mine yield — computation — definitions. As used in this part, the following definitions apply:

(1) "Gross value of product" means the receipts received, as defined in 15-23-801, from all merchantable metals or concentrate containing metals or precious and semiprecious gems and stones extracted or produced each reporting period from any mine or mining property in the state or recovered from the smelting, milling, reduction, or treatment in any manner of ores extracted from the mine or mining property or from tailings resulting from the smelting, reduction, or treatment of the ores; and

(2) "reporting period" means:

(a) for periods beginning prior to January 1, 2003, the calendar year; and

(b) for periods beginning on or after January 1, 2003, the 6-month period ending June 30 or December 31, as applicable.

History: En. Sec. 3, Initiative No. 28, 1925; re-en. Sec. 2344.3, R.C.M. 1935; amd. Sec. 101, Ch. 516, L. 1973; amd. Sec. 4, Ch. 156, L. 1977; R.C.M. 1947, 84-2003; amd. Sec. 1, Ch. 227, L. 1983; amd. Sec. 1, Ch. 128, L. 1989; amd. Sec. 2, Ch. 672, L. 1989; amd. Sec. 1, Ch. 19, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 19 substituted gross value of product for annual gross value of product as defined term and near middle of definition substituted "each reporting period" for "each calendar year"; substituted definition of reporting period for definition of annual reporting date that read: "The "annual reporting date", as used in this part, means the last day of the calendar year"; and made minor changes in style. Amendment effective August 20, 2002.

Applicability: Section 9, Ch. 19, Sp. L. August 2002, provided: "[This act] applies to metalliferous mines license taxes for periods beginning on or after January 1, 2003."

15-37-103. Rate of tax. (1) The license tax to be paid by a person engaged in or carrying on the business of working or operating any mine or mining property in this state from which gold, silver, copper, lead, or any other metal or metals or precious or semiprecious gems or

stones are produced is an amount computed on the gross value of product derived by the person from mining business, work, or operation within this state during the preceding reporting period.

(2) Concentrate shipped to a smelter, mill, or reduction work is taxed at the following rates:

Gross Value of Product	Rate of Tax (percentage of gross value)
first \$250,000	0%
more than \$250,000	1.81% of the increment

(3) Gold, silver, or any platinum-group metal that is dore, bullion, or matte and that is shipped to a refinery is taxed at the following rates:

Gross Value of Product	Rate of Tax (percentage of gross value)
first \$250,000	0%
more than \$250,000	1.6% of the increment

History: En. Sec. 4, Initiative No. 28, 1925; re-en. Sec. 2344.4, R.C.M. 1935; amd. Sec. 1, Ch. 220, L. 1957; amd. Sec. 1, Ch. 176, L. 1959; amd. Sec. 1, Ch. 9, Ex. L. 1969; amd. Sec. 1, Ch. 392, L. 1971; amd. Sec. 2, Ch. 126, L. 1975; amd. Sec. 5, Ch. 156, L. 1977; R.C.M. 1947, 84-2004; amd. Sec. 6, Ch. 619, L. 1983; amd. Sec. 3, Ch. 672, L. 1989; amd. Sec. 2, Ch. 19, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 19 in (1) at beginning after "The" deleted "annual" and at end substituted "preceding reporting period" for "calendar year immediately preceding"; and made minor changes in style. Amendment effective August 20, 2002.

Applicability: Section 9, Ch. 19, Sp. L. August 2002, provided: "[This act] applies to metalliferous mines license taxes for periods beginning on or after January 1, 2003."

15-37-104. Mine operator's statement of gross value — reports and sampling. (1)

Every person engaged in or carrying on the business of working or operating any mine or mining property in this state from which gold, silver, copper, lead, or any other metal or metals or precious or semiprecious gems or stones are produced shall, not later than the date for payment of the tax under 15-37-105, when engaged in or carrying on any mining business, work, or operation, make out a statement of the gross value of product from all mines and mining properties worked or operated by the person during the reporting period. If good cause is shown, the department may grant a reasonable extension of the time for filing statements. The statement must be in the form prescribed by the department and must show the following:

- (a) the name, address, and telephone number of the owner, lessee, or operator of the mine or mining property;
- (b) the mine's location by county and legal description;
- (c) the number of tons of ore, concentrate, or other mineral products or deposits extracted from the mine or mining property during the period covered by the statement;
- (d) the name and location of the smelter, mill, or reduction works to which the ore or concentrate has been shipped or sold during the period covered by the statement and other information as the department may require;
- (e) the gross yield of the ores, concentrates, mineral products, or deposits in constituents of commercial value, such as the number of ounces of gold or silver, pounds of copper, lead, or zinc, or other commercially valuable constituents of the ores, concentrates, or mineral products or deposits, measured by standard units of measurement, during the period covered by the statement;
- (f) the annual gross value of product in dollars and cents.

(2) This section applies regardless of the location of any smelter, mill, or reduction works to which the ore or concentrate is shipped.

(3) Any sampling, testing, or assaying made necessary to comply with this section must be completed within this state and prior to any mixture of the ore or concentrate to be assayed with ore or concentrate from any other mine or mining property.

History: En. Sec. 5, Initiative No. 28, 1925; re-en. Sec. 2344.5, R.C.M. 1935; amd. Sec. 102, Ch. 516, L. 1973; amd. Sec. 3, Ch. 126, L. 1975; R.C.M. 1947, 84-2005; amd. Sec. 2, Ch. 288, L. 1981; amd. Sec. 2, Ch. 227, L. 1983; amd. Sec. 2, Ch. 128, L. 1989; amd. Sec. 4, Ch. 672, L. 1989; amd. Sec. 3, Ch. 19, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 19 in (1) near middle of first sentence after "not later than" substituted "the date for payment of the tax under 15-37-105" for "March 31 following the end of each calendar year" and at end substituted "reporting period" for "calendar year immediately preceding"; and made minor changes in style. Amendment effective August 20, 2002.

Applicability: Section 9, Ch. 19, Sp. L. August 2002, provided: "[This act] applies to metalliferous mines license taxes for periods beginning on or after January 1, 2003."

15-37-105. Computation and payment of tax. (1) The tax due under this part is computed according to 15-37-103. For the reporting period defined in 15-37-102(2)(a), the tax is due and payable on or before March 31 of each year. For the reporting periods defined in 15-37-102(2)(b), the tax is due at the end of the reporting period, and for the reporting period ending June 30, the tax is payable by August 15, and for the reporting period ending December 31, the tax is payable by March 31. The tax is imposed on the products produced in the reporting period.

(2) The tax due under this part becomes delinquent as of:

(a) midnight on March 31 for the reporting period defined in 15-37-102(2)(a) or for each reporting period ending December 31 under 15-37-102(2)(b); and

(b) midnight on August 15 for each reporting period ending June 30 under 15-37-102(2)(b).

(3) If good cause is shown, the department may grant a reasonable extension of time for payment of the tax. During the period of any extension granted, the tax due bears interest as provided in 15-1-216.

(4) If any person has sold or otherwise disposed of any of the mine's products at a price substantially below the true market price of the product at the time and place of sale or disposal, then the department shall compute the gross value of the portion of the mine's product sold or disposed of substantially below the market price. The gross value must be based upon the quotations of the price of the mine's product in New York City at the time the portion of the product was sold or otherwise disposed of as evidenced by some established authority or market report, such as the Engineering and Mining Journal of New York, or some other standard publication, giving the market reports for the reporting period covered by the statement. If there is no quotation covering any particular product, then the department shall fix the value of the gross product or portion of the gross product that was sold or otherwise disposed of at a price substantially below the true market price at the time and place of sale or disposal in a manner as may seem to be equitable.

History: En. Sec. 6, Initiative No. 28, 1925; re-en. Sec. 2344.6, R.C.M. 1935; amd. Sec. 1, Ch. 165, L. 1959; amd. Sec. 103, Ch. 516, L. 1973; amd. Sec. 4, Ch. 126, L. 1975; R.C.M. 1947, 84-2006; amd. Sec. 3, Ch. 227, L. 1983; amd. Sec. 3, Ch. 128, L. 1989; amd. Sec. 5, Ch. 672, L. 1989; amd. Sec. 23, Ch. 427, L. 1999; amd. Sec. 4, Ch. 19, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 19 in (1) at beginning of second sentence inserted "For the reporting period defined in 15-37-102(2)(a), the tax", inserted third sentence concerning due date of tax for reporting periods defined in 15-37-102(2)(b), and at end of fourth sentence substituted "reporting period" for "preceding calendar year"; at end of (2)(a) substituted "for the reporting period defined in 15-37-102(2)(a) or for each reporting period ending December 31 under 15-37-102(2)(b)" for "of the year immediately following the production year"; inserted (2)(b) concerning delinquency date of August 15; in (4) near end of second sentence substituted "reporting period" for "year"; and made minor changes in style. Amendment effective August 20, 2002.

Applicability: Section 9, Ch. 19, Sp. L. August 2002, provided: "[This act] applies to metalliferous mines license taxes for periods beginning on or after January 1, 2003."

15-37-106. Procedure in case of failure to file statements. If a person fails, refuses, or neglects to make and file the required statement of gross yield for a reporting period on or before the date the tax becomes delinquent under 15-37-105, the department shall, immediately after the time has expired, ascertain and determine as nearly as may be possible from any returns or reports filed with any state or county officer or board under any law of this state and from any other information that the department may be able to obtain the total gross value of product of the person from the business during the reporting period for which the license tax is to be paid. The department shall make and file a statement showing the amount of

the gross value of product and shall ascertain, determine, compute, and assess the amount of the license taxes due from and to be paid by the person. The department shall, as soon as possible, give notice to the person in the same manner as though the statement had been filed within time. The department shall proceed to collect the license tax, along with the same penalty and interest as provided for other delinquencies.

History: En. Sec. 8, Initiative No. 28, 1925; re-en. Sec. 2344.8, R.C.M. 1935; amd. Sec. 104, Ch. 516, L. 1973; amd. Sec. 6, Ch. 126, L. 1975; R.C.M. 1947, 84-2008; amd. Sec. 4, Ch. 227, L. 1983; amd. Sec. 4, Ch. 128, L. 1989; amd. Sec. 6, Ch. 672, L. 1989; amd. Sec. 5, Ch. 19, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 19 near beginning of first sentence substituted "statement of gross yield for a reporting period on or before the date the tax becomes delinquent under 15-37-105" for "annual statement of gross yield for a production year on or before March 31 of the year immediately following the production year" and near end substituted "during the reporting period" for "during the calendar year immediately preceding the year" and near beginning of third sentence substituted "as soon as possible" for "immediately"; and made minor changes in style. Amendment effective August 20, 2002.

Applicability: Section 9, Ch. 19, Sp. L. August 2002, provided: "[This act] applies to metalliferous mines license taxes for periods beginning on or after January 1, 2003."

15-37-108. Delinquent taxes — penalty and interest. All license taxes assessed under the provisions of this part become delinquent if not paid on or before midnight of the date established in 15-37-105(2). The department shall add to the amount of delinquent metalliferous mines tax penalty and interest as provided in 15-1-216. The department may waive a late payment penalty as provided in 15-1-206.

History: En. Sec. 7, Initiative No. 28, 1925; re-en. Sec. 2344.7, R.C.M. 1935; amd. Sec. 2, Ch. 165, L. 1959; amd. Sec. 5, Ch. 126, L. 1975; R.C.M. 1947, 84-2007; amd. Sec. 5, Ch. 227, L. 1983; amd. Sec. 5, Ch. 128, L. 1989; amd. Sec. 7, Ch. 672, L. 1989; amd. Sec. 24, Ch. 427, L. 1999; amd. Sec. 6, Ch. 19, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 19 at end of first sentence substituted "the date established in 15-37-105(2)" for "March 31 of the year immediately following the production year". Amendment effective August 20, 2002.

Applicability: Section 9, Ch. 19, Sp. L. August 2002, provided: "[This act] applies to metalliferous mines license taxes for periods beginning on or after January 1, 2003."

15-37-117. Disposition of metalliferous mines license taxes. (1) Metalliferous mines license taxes collected under the provisions of this part must, in accordance with the provisions of 15-1-501, be allocated as follows:

(a) to the credit of the general fund of the state, for the fiscal year ending June 30, 2003, 65% and for the fiscal years beginning on or after July 1, 2003, 58% of total collections each year;

(b) to the state special revenue fund to the credit of a hard-rock mining impact trust account, 2.5% of total collections each year;

(c) to the hard-rock mining reclamation debt service fund created in 82-4-312, 8.5% of total collections each year;

(d) to the reclamation and development grants program state special revenue account, for the fiscal years beginning on or after July 1, 2003, 7% of total collections each year; and

(e) within 60 days of the date the tax is payable pursuant to 15-37-105, to the county or counties identified as experiencing fiscal and economic impacts, resulting in increased employment or local government costs, under an impact plan for a large-scale mineral development prepared and approved pursuant to 90-6-307, in direct proportion to the fiscal and economic impacts determined in the plan or, if an impact plan has not been prepared, to the county in which the mine is located, 24% of total collections each year, to be allocated by the county commissioners as follows:

(i) not less than 37.5% to the county hard-rock mine trust reserve account established in 7-6-2225; and

(ii) all money not allocated to the account pursuant to subsection (1)(e)(i) to be further allocated as follows:

(A) 33 $\frac{1}{3}$ % is allocated to the county for planning or economic development activities;

(B) 33 $\frac{1}{3}$ % is allocated to the elementary school districts within the county that have been affected by the development or operation of the metal mine; and

(C) 33 $\frac{1}{3}$ % is allocated to the high school districts within the county that have been affected by the development or operation of the metal mine.

(2) When an impact plan for a large-scale mineral development approved pursuant to 90-6-307 identifies a jurisdictional revenue disparity, the county shall distribute the proceeds allocated under subsection (1)(e) in a manner similar to that provided for property tax sharing under Title 90, chapter 6, part 4.

(3) The department shall return to the county in which metals are produced the tax collections allocated under subsection (1)(e). The allocation to the county described by subsection (1)(e) is a statutory appropriation pursuant to 17-7-502.

History: En. Sec. 1, Ch. 619, L. 1983; amd. Sec. 48, Ch. 281, L. 1983; amd. Sec. 8, Ch. 672, L. 1989; amd. Sec. 2, Ch. 760, L. 1991; amd. Sec. 7, Ch. 15, Sp. L. July 1992; amd. Sec. 8, Ch. 455, L. 1993; amd. Sec. 14, Ch. 18, L. 1995; amd. Sec. 1, Ch. 31, L. 1995; amd. Secs. 1, 8, Ch. 577, L. 1995; amd. Sec. 21, Ch. 584, L. 1995; amd. Sec. 1, Ch. 415, L. 1997; amd. Sec. 3, Ch. 144, L. 1999; amd. Sec. 1, Ch. 464, L. 1999; amd. Sec. 5, Ch. 460, L. 2001; amd. Sec. 3, Ch. 12, Sp. L. August 2002; amd. Sec. 7, Ch. 19, Sp. L. August 2002.

Compiler's Comments

2002 Amendments — Composite Section: Chapter 12 in (1)(a) near middle inserted “for the fiscal year ending June 30, 2003, 65% and for the fiscal years beginning on or after July 1, 2003”; and in (1)(d) near middle after “account” inserted “for the fiscal years beginning on or after July 1, 2003”. Amendment effective August 16, 2002.

Chapter 19 at beginning of (1)(e) substituted “within 60 days of the date the tax is payable pursuant to 15-37-105” for “on or before June 1”. Amendment effective August 20, 2002.

Retroactive Applicability: Section 7, Ch. 12, Sp. L. August 2002, provided: “[This act] applies retroactively, within the meaning of 1-2-109, to July 1, 2002.”

Applicability: Section 9, Ch. 19, Sp. L. August 2002, provided: “[This act] applies to metalliferous mines license taxes for periods beginning on or after January 1, 2003.”

CHAPTER 38

RESOURCE INDEMNITY TRUST AND GROUND WATER ASSESSMENT

15-38-202. (Temporary) Investment of resource indemnity trust fund — expenditure — minimum balance. (1) All money paid into the resource indemnity trust fund, including money payable into the fund under the provisions of 15-36-324 and 15-37-117, must be invested at the discretion of the board of investments. Only the net earnings, excluding unrealized gains and losses, may be appropriated and expended until the fund balance, excluding unrealized gains and losses, reaches \$100 million. Thereafter, all net earnings, excluding unrealized gains and losses, and all receipts may be appropriated by the legislature and expended, provided that the fund balance, excluding unrealized gains and losses, may never be less than \$100 million.

(2) (a) At the beginning of each fiscal year, there is allocated from the interest income of the resource indemnity trust fund:

(i) \$240,000, which is statutorily appropriated, as provided in 17-7-502, to be deposited into the renewable resource grant and loan program state special revenue account to support the operations of the environmental science-water quality instructional programs at Montana state university-northern, to be used for support costs, for matching funds necessary to attract additional funds to further expand statewide impact, and for enhancement of the facilities related to the programs. Any amount of the appropriation in this subsection (2)(a)(i) that is not pledged to repay bonds issued prior to January 1, 1999, may be deposited in a permanent fund account, the income from which may be used for the purposes provided in this subsection.

(ii) \$2 million to be deposited into the renewable resource grant and loan program state special revenue account, created by 85-1-604, for the purpose of making grants;

(iii) for the fiscal year beginning July 1, 2002, through the fiscal year ending June 30, 2005, \$1.2 million and for fiscal years beginning on or after July 1, 2005, \$1.5 million to be deposited into the reclamation and development grants special revenue account, created by 90-2-1104, for the purpose of making grants;

(iv) \$300,000 to be deposited into the ground water assessment account created by 85-2-905; and

(v) for the fiscal year beginning July 1, 2002, through the fiscal year ending June 30, 2005, \$350,000 and for fiscal years beginning on or after July 1, 2005, \$500,000 to the department of fish, wildlife, and parks for the purposes of 87-1-283. The future fisheries review panel shall approve and fund qualified mineral reclamation projects before other types of qualified projects.

(b) At the beginning of each biennium, there is allocated from the interest income of the resource indemnity trust fund:

(i) an amount not to exceed \$175,000 to the environmental contingency account pursuant to the conditions of 75-1-1101;

(ii) an amount not to exceed \$50,000 to the oil and gas production damage mitigation account pursuant to the conditions of 82-11-161; and

(iii) \$500,000 to be deposited into the water storage state special revenue account created by 85-1-631.

(c) The remainder of the interest income is allocated as follows:

(i) For the fiscal year beginning July 1, 2002, through the fiscal year ending June 30, 2005, 25.5% and for fiscal years beginning on or after July 1, 2005, 30% of the interest income of the resource indemnity trust fund must be allocated to the renewable resource grant and loan program state special revenue account created by 85-1-604.

(ii) For the fiscal year beginning July 1, 2002, through the fiscal year ending June 30, 2005, 22% and for fiscal years beginning on or after July 1, 2005, 26% of the interest income of the resource indemnity trust fund must be allocated to the hazardous waste/CERCLA special revenue account provided for in 75-10-621.

(iii) For the fiscal year beginning July 1, 2002, through the fiscal year ending June 30, 2005, 45% and for fiscal years beginning on or after July 1, 2005, 35% of the interest income from the resource indemnity trust fund must be allocated to the reclamation and development grants account provided for in 90-2-1104.

(iv) For the fiscal year beginning July 1, 2002, through the fiscal year ending June 30, 2005, 7.5% and for fiscal years beginning on or after July 1, 2005, 9% of the interest income of the resource indemnity trust fund must be allocated to the environmental quality protection fund provided for in 75-10-704.

(3) Any formal budget document prepared by the legislature or the executive branch that proposes to appropriate funds other than as provided for by the allocations in subsection (2) must specify the amount of money from each allocation that is proposed to be diverted and the proposed use of the diverted funds. A formal budget document includes a printed and publicly distributed budget proposal or recommendation, an introduced bill, or a bill developed during the legislative appropriation process or otherwise during a legislative session. (*Terminates July 1, 2009—sec. 9, Ch. 529, L. 1999.*)

15-38-202. (Effective July 1, 2009) Investment of resource indemnity trust fund — expenditure — minimum balance. (1) All money paid into the resource indemnity trust fund, including money payable into the fund under the provisions of 15-36-324 and 15-37-117, must be invested at the discretion of the board of investments. Only the net earnings, excluding unrealized gains and losses, may be appropriated and expended until the fund balance, excluding unrealized gains and losses, reaches \$100 million. Thereafter, all net earnings, excluding unrealized gains and losses, and all receipts may be appropriated by the legislature and expended, provided that the fund balance, excluding unrealized gains and losses, may never be less than \$100 million.

(2) (a) At the beginning of each fiscal year, there is allocated from the interest income of the resource indemnity trust fund:

(i) \$240,000, which is statutorily appropriated, as provided in 17-7-502, to be deposited into the renewable resource grant and loan program state special revenue account to support the operations of the environmental science-water quality instructional programs at Montana state university-northern, to be used for support costs, for matching funds necessary to attract additional funds to further expand statewide impact, and for enhancement of the facilities related to the programs. Any amount of the appropriation in this subsection (2)(a)(i) that is not pledged to repay bonds issued prior to January 1, 1999, may be deposited in a permanent fund account, the income from which may be used for the purposes provided in this subsection.

(ii) \$2 million to be deposited into the renewable resource grant and loan program state special revenue account, created by 85-1-604, for the purpose of making grants;

(iii) \$1.5 million to be deposited into the reclamation and development grants special revenue account, created by 90-2-1104, for the purpose of making grants; and

(iv) \$300,000 to be deposited into the ground water assessment account created by 85-2-905.

(b) At the beginning of each biennium, there is allocated from the interest income of the resource indemnity trust fund:

(i) an amount not to exceed \$175,000 to the environmental contingency account pursuant to the conditions of 75-1-1101;

(ii) an amount not to exceed \$50,000 to the oil and gas production damage mitigation account pursuant to the conditions of 82-11-161; and

(iii) \$500,000 to be deposited into the water storage state special revenue account created by 85-1-631.

(c) The remainder of the interest income is allocated as follows:

(i) Thirty percent of the interest income of the resource indemnity trust fund must be allocated to the renewable resource grant and loan program state special revenue account created by 85-1-604.

(ii) Twenty-six percent of the interest income of the resource indemnity trust fund must be allocated to the hazardous waste/CERCLA special revenue account provided for in 75-10-621.

(iii) Thirty-five percent of the interest income from the resource indemnity trust fund must be allocated to the reclamation and development grants account provided for in 90-2-1104.

(iv) Nine percent of the interest income of the resource indemnity trust fund must be allocated to the environmental quality protection fund provided for in 75-10-704.

(3) Any formal budget document prepared by the legislature or the executive branch that proposes to appropriate funds other than as provided for by the allocations in subsection (2) must specify the amount of money from each allocation that is proposed to be diverted and the proposed use of the diverted funds. A formal budget document includes a printed and publicly distributed budget proposal or recommendation, an introduced bill, or a bill developed during the legislative appropriation process or otherwise during a legislative session. (*Terminates June 30, 2014—sec. 5, Ch. 497, L. 1999.*)

15-38-202. (Effective July 1, 2014) Investment of resource indemnity trust fund — expenditure — minimum balance. (1) All money paid into the resource indemnity trust fund, including money payable into the fund under the provisions of 15-36-324 and 15-37-117, must be invested at the discretion of the board of investments. Only the net earnings, excluding unrealized gains and losses, may be appropriated and expended until the fund balance, excluding unrealized gains and losses, reaches \$100 million. Thereafter, all net earnings, excluding unrealized gains and losses, and all receipts may be appropriated by the legislature and expended, provided that the fund balance, excluding unrealized gains and losses, may never be less than \$100 million.

(2) (a) At the beginning of each fiscal year, there is allocated from the interest income of the resource indemnity trust fund:

(i) \$2 million to be deposited into the renewable resource grant and loan program state special revenue account, created by 85-1-604, for the purpose of making grants;

(ii) \$1.5 million to be deposited into the reclamation and development grants special revenue account, created by 90-2-1104, for the purpose of making grants; and

(iii) \$300,000 to be deposited into the ground water assessment account created by 85-2-905.

(b) At the beginning of each biennium, there is allocated from the interest income of the resource indemnity trust fund:

(i) an amount not to exceed \$175,000 to the environmental contingency account pursuant to the conditions of 75-1-1101;

(ii) an amount not to exceed \$50,000 to the oil and gas production damage mitigation account pursuant to the conditions of 82-11-161; and

(iii) \$500,000 to be deposited into the water storage state special revenue account created by 85-1-631.

(c) The remainder of the interest income is allocated as follows:

(i) Thirty percent of the interest income of the resource indemnity trust fund must be allocated to the renewable resource grant and loan program state special revenue account created by 85-1-604.

(ii) Twenty-six percent of the interest income of the resource indemnity trust fund must be allocated to the hazardous waste/CERCLA special revenue account provided for in 75-10-621.

(iii) Thirty-five percent of the interest income from the resource indemnity trust fund must be allocated to the reclamation and development grants account provided for in 90-2-1104.

(iv) Nine percent of the interest income of the resource indemnity trust fund must be allocated to the environmental quality protection fund provided for in 75-10-704.

(3) Any formal budget document prepared by the legislature or the executive branch that proposes to appropriate funds other than as provided for by the allocations in subsection (2) must specify the amount of money from each allocation that is proposed to be diverted and the proposed use of the diverted funds. A formal budget document includes a printed and publicly distributed budget proposal or recommendation, an introduced bill, or a bill developed during the legislative appropriation process or otherwise during a legislative session.

History: En. 84-7009 by Sec. 9, Ch. 497, L. 1973; R.C.M. 1947, 84-7009; amd. Sec. 44, Ch. 505, L. 1981; amd. Sec. 6, Ch. 241, L. 1983; amd. Sec. 6, Ch. 281, L. 1983; amd. Sec. 1, Ch. 716, L. 1985; amd. Sec. 1, Ch. 408, L. 1987; amd. Secs. 12, 18, Ch. 418, L. 1987; amd. Secs. 1, 5, Ch. 555, L. 1987; amd. Sec. 1, Ch. 530, L. 1989; amd. Sec. 12, Ch. 672, L. 1989; amd. Secs. 3, 4, Ch. 478, L. 1993; amd. Sec. 12, Ch. 613, L. 1993; amd. Sec. 38, Ch. 451, L. 1995; amd. Sec. 2, Ch. 577, L. 1995; amd. Sec. 82, Ch. 42, L. 1997; amd. Sec. 3, Ch. 415, L. 1997; amd. Sec. 2, Ch. 444, L. 1997; amd. Sec. 5, Ch. 144, L. 1999; amd. Secs. 1, 2, Ch. 497, L. 1999; amd. Sec. 3, Ch. 529, L. 1999; amd. Sec. 5, Ch. 34, L. 2001; amd. Sec. 2, Ch. 61, L. 2001; amd. Sec. 6, Ch. 20, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: (Temporary version) Chapter 20 at beginning of (2)(a)(iii) inserted "for the fiscal year beginning July 1, 2002, through the fiscal year ending June 30, 2005, \$1.2 million and for fiscal years beginning on or after July 1, 2005"; at beginning of (2)(a)(v) inserted "for the fiscal year beginning July 1, 2002, through the fiscal year ending June 30, 2005, \$350,000 and for fiscal years beginning on or after July 1, 2005"; at beginning of (2)(c)(i) inserted "For the fiscal year beginning July 1, 2002, through the fiscal year ending June 30, 2005, 25.5% and for fiscal years beginning on or after July 1, 2005"; at beginning of (2)(c)(ii) inserted "For the fiscal year beginning July 1, 2002, through the fiscal year ending June 30, 2005, 22% and for fiscal years beginning on or after July 1, 2005"; at beginning of (2)(c)(iii) inserted "For the fiscal year beginning July 1, 2002, through the fiscal year ending June 30, 2005, 45% and for fiscal years beginning on or after July 1, 2005"; at beginning of (2)(c)(iv) inserted "For the fiscal year beginning July 1, 2002, through the fiscal year ending June 30, 2005, 7.5% and for fiscal years beginning on or after July 1, 2005"; and made minor changes in style. Amendment effective August 21, 2002.

CHAPTER 65 LODGING FACILITY USE TAX

15-65-121. (Temporary) Distribution of tax proceeds. (1) The proceeds of the tax imposed by 15-65-111 must, in accordance with the provisions of 15-1-501, be deposited in an account in the state special revenue fund to the credit of the department. The department may spend from that account in accordance with an expenditure appropriation by the legislature based on an estimate of the costs of collecting and disbursing the proceeds of the tax. Before allocating the balance of the tax proceeds in accordance with the provisions of 15-1-501 and as provided in subsections (1)(a) through (1)(e) of this section, the department shall determine the expenditures by state agencies for in-state lodging for each reporting period and deduct 4% of that amount from the tax proceeds received each reporting period. The amount deducted must be deposited in the fund or funds from which in-state lodging expenditures were paid by state agencies. The amount of \$400,000 each year must be deposited in the Montana heritage preservation and development account provided for in 22-3-1004. For the fiscal year ending June 30, 2003, the amount of \$1.7 million must be deposited in the state general fund. The balance of the tax proceeds received each reporting period and not deducted pursuant to the expenditure appropriation, deposited in the fund or funds from which in-state lodging expenditures were paid by state agencies, or deposited in the heritage preservation and development account is statutorily appropriated, as provided in 17-7-502, and must be transferred to an account in the state special revenue fund to the credit of the department of commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials, to the Montana historical society, to the university system, and to the department of fish, wildlife, and parks, as follows:

(a) 1% to the Montana historical society to be used for the installation or maintenance of roadside historical signs and historic sites;

(b) 2.5% to the university system for the establishment and maintenance of a Montana travel research program;

(c) 6.5% to the department of fish, wildlife, and parks for the maintenance of facilities in state parks that have both resident and nonresident use;

(d) 67.5% to be used directly by the department of commerce, except as provided in section 1, Chapter 11, Special Laws of August 2002; and

(e) (i) except as provided in subsection (1)(e)(ii), 22.5% to be distributed by the department to regional nonprofit tourism corporations in the ratio of the proceeds collected in each tourism region to the total proceeds collected statewide; and

(ii) if 22.5% of the proceeds collected annually within the limits of a city, consolidated city-county, resort area, or resort area district exceeds \$35,000, 50% of the amount available for distribution to the regional nonprofit tourism corporation in the region where the city, consolidated city-county, resort area, or resort area district is located, to be distributed to the nonprofit convention and visitors bureau in that city, consolidated city-county, resort area, or resort area district.

(2) If a city, consolidated city-county, resort area, or resort area district qualifies under this section for funds but fails to either recognize a nonprofit convention and visitors bureau or submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds must be allocated to the regional nonprofit tourism corporation in the region in which the city, consolidated city-county, resort area, or resort area district is located.

(3) If a regional nonprofit tourism corporation fails to submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds otherwise allocated to the regional nonprofit tourism corporation may be used by the department of commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials. (*Terminates July 1, 2007—sec. 3, Ch. 469, L. 2001.*)

15-65-121. (Effective July 1, 2007) Distribution of tax proceeds. (1) The proceeds of the tax imposed by 15-65-111 must, in accordance with the provisions of 15-1-501, be deposited in an account in the state special revenue fund to the credit of the department. The department may spend from that account in accordance with an expenditure appropriation by the legislature based on an estimate of the costs of collecting and disbursing the proceeds of the tax. Before allocating the balance of the tax proceeds in accordance with the provisions of 15-1-501 and as provided in subsections (1)(a) through (1)(e) of this section, the department shall determine the expenditures by state agencies for in-state lodging for each reporting period and deduct 4% of that amount from the tax proceeds received each reporting period. The amount deducted must be deposited in the fund or funds from which in-state lodging expenditures were paid by state agencies. The balance of the tax proceeds received each reporting period and not deducted pursuant to the expenditure appropriation or deposited in the fund or funds from which in-state lodging expenditures were paid by state agencies is statutorily appropriated, as provided in 17-7-502, and must be transferred to an account in the state special revenue fund to the credit of the department of commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials, to the Montana historical society, to the university system, and to the department of fish, wildlife, and parks, as follows:

(a) 1% to the Montana historical society to be used for the installation or maintenance of roadside historical signs and historic sites;

(b) 2.5% to the university system for the establishment and maintenance of a Montana travel research program;

(c) 6.5% to the department of fish, wildlife, and parks for the maintenance of facilities in state parks that have both resident and nonresident use;

(d) 67.5% to be used directly by the department of commerce; and

(e) (i) except as provided in subsection (1)(e)(ii), 22.5% to be distributed by the department to regional nonprofit tourism corporations in the ratio of the proceeds collected in each tourism region to the total proceeds collected statewide; and

(ii) if 22.5% of the proceeds collected annually within the limits of a city, consolidated city-county, resort area, or resort area district exceeds \$35,000, 50% of the amount available for

distribution to the regional nonprofit tourism corporation in the region where the city, consolidated city-county, resort area, or resort area district is located, to be distributed to the nonprofit convention and visitors bureau in that city, consolidated city-county, resort area, or resort area district.

(2) If a city, consolidated city-county, resort area, or resort area district qualifies under this section for funds but fails to either recognize a nonprofit convention and visitors bureau or submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds must be allocated to the regional nonprofit tourism corporation in the region in which the city, consolidated city-county, resort area, or resort area district is located.

(3) If a regional nonprofit tourism corporation fails to submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds otherwise allocated to the regional nonprofit tourism corporation may be used by the department of commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials.

History: En. Sec. 7, Ch. 607, L. 1987; amd. Sec. 15, Ch. 607, L. 1987; amd. Sec. 18, Ch. 83, L. 1989; amd. Sec. 2, Ch. 647, L. 1989; amd. Sec. 1, Ch. 11, Sp. L. July 1992; amd. Sec. 16, Ch. 455, L. 1993; amd. Sec. 1, Ch. 574, L. 1993; amd. Sec. 20, Ch. 18, L. 1995; amd. Sec. 2, Ch. 442, L. 1995; amd. Sec. 11, Ch. 469, L. 1997; amd. Sec. 1, Ch. 490, L. 1999; amd. Sec. 2, Ch. 195, L. 2001; amd. Sec. 1, Ch. 469, L. 2001; amd. Sec. 2, Ch. 11, Sp. L. August 2002; amd. Sec. 8, Ch. 13, Sp. L. August 2002.

Compiler's Comments

2002 Amendments — Composite Section: (Temporary version) Chapter 11 in (1)(d) inserted "except as provided in section 1, Chapter 11, Special Laws of August 2002". Amendment effective August 16, 2002.

(Temporary version) Chapter 13 in (1) near middle inserted "For the fiscal year ending June 30, 2003, the amount of \$1.7 million must be deposited in the state general fund." Amendment effective August 16, 2002.

Retroactive Applicability: Section 36(3), Ch. 13, Sp. L. August 2002, provided: "(3) [Sections 1, 2, 5, 8, 12, 17, 19, 22, 23, and 25 through 30] apply retroactively, within the meaning of 1-2-109, to July 1, 2002."

TITLE 17 STATE FINANCE

CHAPTER 2 ACCOUNTING

17-2-107. Accurate accounting records and interentity loans. (1) The department shall record receipts and disbursements for treasury funds and for accounting entities within treasury funds and shall maintain records in a manner that reflects the total cash and invested balance of each fund and each accounting entity. The department shall adopt the necessary procedures to ensure that interdepartmental or intradepartmental transfers of money or loans do not result in inflation of figures reflecting total governmental costs and revenue.

(2) (a) Subject to 17-2-105, when the expenditure of an appropriation from a fund designated in 17-2-102(1) through (3) is necessary and the cash balance in the accounting entity from which the appropriation was made is insufficient, the department may authorize a temporary loan, bearing no interest, of unrestricted money from other accounting entities if there is reasonable evidence that the income will be sufficient to repay the loan within 1 calendar year and if the loan is recorded in the state accounting records. An accounting entity receiving a loan or an accounting entity from which a loan is made may not be so impaired that all proper demands on the accounting entity cannot be met even if the loan is extended.

(b) (i) When an expenditure from a fund or subfund designated in 17-2-102(4) is necessary and the cash balance in the fund or subfund from which the expenditure is to be made is insufficient, the commissioner of higher education may authorize a temporary loan, bearing interest as provided in subsection (4) of this section, of money from the agency's other funds or subfunds if there is reasonable evidence that the income will be sufficient to repay the loan within 1 calendar year and if the loan is recorded in the state accounting records. A fund or subfund receiving a loan or from which a loan is made may not be so impaired that all proper demands on the fund or subfund cannot be met even if the loan is extended.

(ii) One accounting entity within each fund or subfund designated in 17-2-102(4) must be established for the sole purpose of recording loans between the funds or subfunds. This

accounting entity is the only accounting entity within each fund or subfund that may receive a loan or from which a loan may be made.

(c) A loan made under subsection (2)(a) or (2)(b) must be repaid within 1 calendar year of the date on which the loan is approved unless it is extended under subsection (3) or by specific legislative authorization.

(3) Under unusual circumstances, the director of the department or the board of regents may grant one extension for up to 1 year for a loan made under subsection (2)(a) or (2)(b). The director or board shall prepare a written justification and proposed repayment plan for each loan extension authorized and shall furnish a copy of the written justification and proposed repayment plan to the house appropriations and senate finance and claims committees at the next legislative session.

(4) Any loan from the current unrestricted subfund to funds designated in 17-2-102(4)(a)(iv) and (4)(b) through (4)(f) must bear interest at a rate equivalent to the previous fiscal year's average rate of return on the board of investments' short-term investment pool.

(5) If for 2 consecutive fiscal yearends a loan or an extension of a loan has been authorized to the same accounting entity as provided in subsection (2) or (3), the department or the commissioner of higher education shall submit to the legislative finance committee by September 1 of the following fiscal year a written report containing an explanation as to why the second loan or extension was made, an analysis of the solvency of the accounting entity or accounting entities within the university fund or subfund, and a plan for repaying the loans.

(6) If for 2 consecutive fiscal yearends an accounting entity in a fund or subfund designated in 17-2-102(4) has a negative cash balance, the commissioner of higher education shall submit to the legislative finance committee by September 1 of the following fiscal year a written report containing an explanation as to why the accounting entity has a negative cash balance, an analysis of the solvency of the accounting entity, and a plan to address any problems concerning the accounting entity's negative cash balance or solvency.

(7) (a) An accounting entity in a fund designated in 17-2-102(1) through (3) may not have a negative cash balance at fiscal yearend. The department may, however, allow a fund type within each agency to carry a negative balance at any point during the fiscal year if the negative cash balance does not exist for more than 7 working days.

(b) (i) Except as provided in subsection (7)(b)(ii) of this section, a unit of the university system shall maintain a positive cash balance in the funds and subfunds designated in 17-2-102(4).

(ii) If a fund or subfund inadvertently has a negative cash balance, the department may allow the fund or subfund to carry the negative cash balance for no more than 7 working days. If the negative cash balance exists for more than 7 working days, a transaction may not be processed through the statewide accounting system for that fund or subfund.

(8) Notwithstanding the provisions of subsections (2) through (4), the department may authorize loans to accounting entities in the federal and state special revenue funds with long-term repayment whenever necessary because of the timing of the receipt of agreed-upon reimbursements from federal, private, or other governmental entity sources for disbursements made. If possible, the loans must be made from funds other than the general fund. The department may approve the loans if the requesting agency can demonstrate that the total loan balance does not exceed total receivables from federal, private, or other governmental entity sources and receivables have been billed on a timely basis. The loan must be repaid under terms and conditions that may be determined by the department or by specific legislative authorization.

(9) A loan may not be authorized under this section to any fund or accounting entity that is owed federal or other third-party funds unless the requesting agency certifies to the agency approving the loan that it has and will continue to bill the federal government or other third party for the requesting agency's share of costs incurred in the fund or accounting entity on the earliest date allowable under federal or other third-party regulations applicable to the program. The requesting agency shall recertify its timely billing status to the agency that approved the loan at least monthly during the term of the loan. If at any time the requesting

agency fails to recertify the timely billing, the agency that approved the loan shall cancel the loan and return the money to its original source.

History: En. Sec. 6, Ch. 147, L. 1963; amd. Sec. 1, Ch. 268, L. 1971; amd. Sec. 98, Ch. 326, L. 1974; R.C.M. 1947, 79-414(2), (3); amd. Sec. 1, Ch. 626, L. 1979; amd. Sec. 4, Ch. 28, L. 1981; amd. Sec. 1, Ch. 517, L. 1983; amd. Sec. 2, Ch. 136, L. 1985; amd. Sec. 1, Ch. 354, L. 1985; amd. Sec. 1, Ch. 1, Sp. L. June 1986; amd. Sec. 1, Ch. 170, L. 1987; amd. Sec. 2, Ch. 341, L. 1987; amd. Sec. 34, Ch. 658, L. 1987; amd. Sec. 1, Ch. 151, L. 1989; amd. Sec. 1, Ch. 622, L. 1989; amd. Sec. 1, Ch. 628, L. 1991; amd. Sec. 5, Ch. 308, L. 1995; amd. Sec. 93, Ch. 42, L. 1997; amd. Sec. 1, Ch. 547, L. 1997; amd. Sec. 2, Ch. 11, L. 1999; amd. Sec. 2, Ch. 291, L. 1999; amd. Sec. 8, Ch. 34, L. 2001; amd. Sec. 1, Ch. 8, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 8 inserted (9) prohibiting loan to fund or accounting entity owed federal or third-party funds unless requesting agency bills federal government or third party on earliest date allowable for agency share of costs incurred and requiring borrowing agency to bill federal government or third party and to recertify timely billing to approving agency. Amendment effective August 13, 2002.

CHAPTER 3 FEDERAL REVENUES AND ENDOWMENTS

17-3-111. Indirect cost rates — allocation. (1) Grantee agencies shall, in accordance with federal regulations and guidelines and with private grant rules, as appropriate, negotiate indirect cost reimbursement amounts and methodologies and recover indirect costs of federal assistance programs and private assistance programs.

(2) An agency, except for a unit of the university system, that applies for or otherwise receives funds through federal or private grants or contracts that do not allow the agency to fully recover indirect costs shall notify and must receive written approval from its approving authority prior to accepting the funds.

(3) An agency, except for a unit of the university system, may not, as part of the grant or contract proposal or negotiation process, waive or otherwise forfeit the agency's ability to recover indirect costs that are otherwise allowable costs under the program, except for intraagency or interagency grants or contracts. For grants or contracts for which the entity providing the funds limits administrative cost reimbursements or indirect cost recoveries by regulation, policy, or guideline, statewide and agency indirect costs paid originally from the general fund must be claimed first, other indirect costs must be claimed second, agency direct costs of administration must be claimed third, and program direct costs must be claimed last. For grants or contracts for which there is no limit on indirect costs or administrative costs, indirect and administrative costs must be claimed first and direct program costs must be claimed last.

(4) The department shall provide technical assistance to an agency on how to build indirect costs into a grant.

(5) Indirect costs recovered from federal sources pursuant to the statewide cost allocation plan provided in 17-3-110, except those costs recovered by a unit of the university system, must be deposited in the general fund. All other indirect costs, except those costs recovered by a unit of the university system, must be deposited in the fund from which the indirect costs were originally paid.

History: En. 79-1022 by Sec. 3, Ch. 223, L. 1975; R.C.M. 1947, 79-1022; amd. Sec. 1, Ch. 37, Sp. L. November 1993; amd. Sec. 1, Ch. 14, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 14 in (1) after "guidelines" inserted "and with private grant rules, as appropriate", after "indirect cost" substituted "reimbursement amounts and methodologies and" for "rates and endeavor, to the fullest extent possible, to", and at end inserted "and private assistance programs"; inserted (2) concerning written approval for accepting certain funds; inserted (3) concerning prohibition on waiving or forfeiting indirect cost recovery and establishing hierarchy for claiming costs; inserted (4) concerning technical assistance on building indirect costs into a grant; in (5) inserted last sentence concerning deposit of indirect costs; and made minor changes in style. Amendment effective August 16, 2002.

17-3-240. Federal mineral leasing funds. (1) All money paid to the state pursuant to 30 U.S.C. 191 must be deposited in the state general fund and must be distributed as provided in subsections (2) and (3).

(2) At the conclusion of fiscal year 2002, the state treasurer shall distribute all money received in fiscal year 2002 in excess of \$21,756,000 pursuant to subsection (3). At the conclusion of fiscal year 2003, the state treasurer shall distribute all money received in fiscal year 2003 in excess of \$21,671,000 pursuant to subsection (3). At the conclusion of fiscal year 2004, the state treasurer shall distribute 12.5% of all money received pursuant to subsection (3). At the conclusion of fiscal year 2005 and each fiscal year thereafter, the state treasurer shall distribute 25% of all money received pursuant to subsection (3).

(3) On August 15 following the close of the fiscal year, the state treasurer shall distribute the distributions in subsection (2) to the mineral impact account established in 17-3-241. The distribution to the eligible counties must be allocated based on the proportion that the total amount of revenue generated by mineral extraction in an eligible county bears to the total amount of money received by the state.

History: En. Sec. 1, Ch. 594, L. 2001; amd. Sec. 1, Ch. 5, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 5 in (2) substituted \$21,671,000 for \$20,474,000. Amendment effective August 13, 2002.

CHAPTER 4 DEBT COLLECTION

17-4-106. Agency owed debt to receive all money collected — exception. (1) All money collected by the department on debts transferred to the department by the various agencies, except funds collected under 17-4-103(3), must be deposited to the account or fund of the agency to which the debt was originally owed. A county shall apply a delinquent personal property tax collection by the department to the payment of the taxpayer's most delinquent personal property taxes or portion of the taxes.

(2) Funds collected under 17-4-103(3) must be deposited in an account in the internal service fund for the cost of assistance of debt collection by the department. Except as provided in subsection (3), funds deposited in excess of the amount appropriated for operation of the debt collection program must be carried forward into the next fiscal year for operation of the debt collection program. Any excess carried forward into the next fiscal year must be used to reduce the designated percentage of the collected proceeds charged to the various agencies.

(3) The amount of \$400,000 is transferred from the internal service fund referred to in subsection (2) to the general fund prior to June 30, 2003.

History: En. 84-7106 by Sec. 6, Ch. 118, L. 1974; amd. Sec. 3, Ch. 248, L. 1977; R.C.M. 1947, 84-7106; amd. Sec. 4, Ch. 419, L. 1989; amd. Sec. 2, Ch. 97, L. 1991; amd. Sec. 16, Ch. 325, L. 1995; amd. Secs. 5, 7, Ch. 589, L. 1995; amd. Sec. 2, Ch. 17, L. 1997; amd. Sec. 1, Ch. 7, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 7 in (2) at beginning of second sentence inserted exception clause; inserted (3) transferring \$400,000 from the internal service fund to the general fund; and made minor changes in style. Amendment effective August 13, 2002.

CHAPTER 7 BUDGETING AND APPROPRIATIONS

17-7-502. Statutory appropriations — definition — requisites for validity. (1) A statutory appropriation is an appropriation made by permanent law that authorizes spending by a state agency without the need for a biennial legislative appropriation or budget amendment.

(2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with both of the following provisions:

(a) The law containing the statutory authority must be listed in subsection (3).

(b) The law or portion of the law making a statutory appropriation must specifically state that a statutory appropriation is made as provided in this section.

(3) The following laws are the only laws containing statutory appropriations: 2-15-151; 2-17-105; 5-13-403; 10-3-203; 10-3-310; 10-3-312; 10-3-314; 10-4-301; 15-1-111; 15-1-113;

15-1-121; 15-23-706; 15-35-108; 15-36-324; 15-37-117; 15-38-202; 15-65-121; 15-70-101; 17-3-106; 17-3-212; 17-3-222; 17-3-241; 17-6-101; 17-7-304; 18-11-112; 19-3-319; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-305; 19-19-506; 19-20-604; 20-8-107; 20-9-534; 20-9-622; 20-26-1503; 22-3-1004; 23-5-306; 23-5-409; 23-5-612; 23-5-631; 23-7-301; 23-7-402; 37-43-204; 37-51-501; 39-71-503; 42-2-105; 44-12-206; 44-13-102; 50-4-623; 53-6-703; 53-24-206; 69-8-702; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 80-2-222; 80-4-416; 80-5-510; 80-11-518; 82-11-161; 87-1-513; 90-3-1003; 90-6-710; and 90-9-306.

(4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing, paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory appropriation authority for the payments. *(In subsection (3): pursuant to Ch. 422, L. 1997, the inclusion of 15-1-111 terminates on July 1, 2008, which is the date that section is repealed; pursuant to sec. 10, Ch. 360, L. 1999, the inclusion of 19-20-604 terminates when the amortization period for the teachers' retirement system's unfunded liability is 10 years or less; pursuant to sec. 4, Ch. 497, L. 1999, the inclusion of 15-38-202 terminates July 1, 2014; pursuant to sec. 10(2), Ch. 10, Sp. L. May 2000, the inclusion of 15-35-108 and 90-6-710 terminates June 30, 2005; pursuant to sec. 17, Ch. 414, L. 2001, the inclusion of 2-15-151 terminates December 31, 2006; and pursuant to sec. 2, Ch. 594, L. 2001, the inclusion of 17-3-241 becomes effective July 1, 2003.)*

History: En. Sec. 2, Ch. 703, L. 1985; amd. Sec. 2, Ch. 244, L. 1985; amd. Sec. 11, Ch. 395, L. 1985; amd. Sec. 20, Ch. 635, L. 1985; amd. Sec. 19, Ch. 688, L. 1985; amd. Sec. 14, Ch. 701, L. 1985; amd. Sec. 14, Ch. 720, L. 1985; amd. Sec. 15, HB 861, L. 1985; amd. Sec. 10, HB 922, L. 1985; amd. Sec. 10, Ch. 161, L. 1987; amd. Sec. 2, Ch. 164, L. 1987; amd. Sec. 1, Ch. 265, L. 1987; amd. Sec. 8, Ch. 453, L. 1987; amd. Sec. 3, Ch. 454, L. 1987; amd. Sec. 30, Ch. 457, L. 1987; amd. Sec. 10, Ch. 460, L. 1987; amd. Sec. 21, Ch. 461, L. 1987; amd. Sec. 6, Ch. 465, L. 1987; amd. Sec. 11, Ch. 563, L. 1987; amd. Sec. 10, Ch. 603, L. 1987; amd. Sec. 10, Ch. 607, L. 1987; amd. Sec. 5, Ch. 664, L. 1987; amd. Sec. 14, Ch. 665, L. 1987; amd. Sec. 12, HB 621, L. 1987; amd. Sec. 1, Ch. 62, L. 1989; amd. Sec. 38, Ch. 262, L. 1989; amd. Sec. 23, Ch. 316, L. 1989; amd. Sec. 7, Ch. 324, L. 1989; amd. Sec. 1, Ch. 408, L. 1989; amd. Sec. 11, Ch. 473, L. 1989; amd. Sec. 13, Ch. 528, L. 1989; amd. Sec. 2, Ch. 530, L. 1989; amd. Sec. 3, Ch. 628, L. 1989; amd. Sec. 62, Ch. 642, L. 1989; amd. Sec. 13, Ch. 672, L. 1989; amd. Sec. 14, Ch. 678, L. 1989; amd. Sec. 10, Ch. 10, Sp. L. June 1989; amd. Sec. 6, Ch. 11, Sp. L. June 1989; amd. Sec. 16, Ch. 16, L. 1991; amd. Sec. 1, Ch. 344, L. 1991; amd. Sec. 2, Ch. 370, L. 1991; amd. Sec. 4, Ch. 394, L. 1991; amd. Sec. 2, Ch. 493, L. 1991; amd. Sec. 1, Ch. 495, L. 1991; amd. Sec. 2, Ch. 567, L. 1991; amd. Sec. 4, Ch. 571, L. 1991; amd. Sec. 1, Ch. 575, L. 1991; amd. Sec. 2, Ch. 600, L. 1991; amd. Sec. 10, Ch. 602, L. 1991; amd. Sec. 19, Ch. 609, L. 1991; amd. Sec. 5, Ch. 641, L. 1991; amd. Sec. 52, Ch. 647, L. 1991; amd. Sec. 1, Ch. 690, L. 1991; amd. Sec. 7, Ch. 701, L. 1991; amd. Sec. 14, Ch. 748, L. 1991; amd. Sec. 7, Ch. 787, L. 1991; amd. Sec. 3, Ch. 819, L. 1991; amd. Sec. 18, Ch. 823, L. 1991; amd. Sec. 2, Ch. 46, L. 1993; amd. Sec. 4, Ch. 69, L. 1993; amd. Sec. 3, Ch. 107, L. 1993; amd. Sec. 5, Ch. 108, L. 1993; amd. Sec. 3, Ch. 127, L. 1993; amd. Sec. 2, Ch. 195, L. 1993; amd. Sec. 2, Ch. 234, L. 1993; amd. Sec. 233, Ch. 265, L. 1993; amd. Sec. 3, Ch. 330, L. 1993; amd. Sec. 2, Ch. 389, L. 1993; amd. Sec. 3, Ch. 395, L. 1993; amd. Sec. 8, Ch. 415, L. 1993; amd. Sec. 4, Ch. 450, L. 1993; amd. Sec. 15, Ch. 452, L. 1993; amd. Sec. 2, Ch. 492, L. 1993; amd. Sec. 11, Ch. 526, L. 1993; amd. Sec. 9, Ch. 534, L. 1993; amd. Sec. 18, Ch. 555, L. 1993; amd. Sec. 4, Ch. 578, L. 1993; amd. Sec. 7, Ch. 581, L. 1993; amd. Sec. 4, Ch. 605, L. 1993; amd. Sec. 13, Ch. 613, L. 1993; amd. Sec. 6, Ch. 625, L. 1993; amd. Sec. 11, Ch. 630, L. 1993; amd. Sec. 3, Ch. 635, L. 1993; amd. Sec. 18, Ch. 10, Sp. L. November 1993; amd. Sec. 2, Ch. 36, Sp. L. November 1993; amd. Sec. 33, Ch. 18, L. 1995; amd. Sec. 3, Ch. 29, L. 1995; amd. Sec. 9, Ch. 176, L. 1995; amd. Sec. 5, Ch. 291, L. 1995; amd. Sec. 20, Ch. 429, L. 1995; amd. Sec. 7, Ch. 439, L. 1995; amd. Sec. 4, Ch. 442, L. 1995; amd. Sec. 2, Ch. 446, L. 1995; amd. Sec. 37, Ch. 451, L. 1995; amd. Sec. 11, Ch. 502, L. 1995; amd. Sec. 24, Ch. 509, L. 1995; amd. Sec. 8, Ch. 526, L. 1995; amd. Sec. 17, Ch. 553, L. 1995; amd. Sec. 2, Ch. 557, L. 1995; amd. Sec. 3, Ch. 276, L. 1997; amd. Secs. 26, 27, Ch. 422, L. 1997; amd. Sec. 1, Ch. 445, L. 1997; amd. Sec. 3, Ch. 461, L. 1997; amd. Sec. 12, Ch. 466, L. 1997; amd. Sec. 12, Ch. 469, L. 1997; amd. Sec. 159, Ch. 480, L. 1997; amd. Sec. 1, Ch. 523, L. 1997; amd. Secs. 15, 39(1)(b), (2)(b), Ch. 532, L. 1997; amd. Sec. 11, Ch. 549, L. 1997; amd. Sec. 46, Ch. 51, L. 1999; amd. Sec. 14, Ch. 83, L. 1999; amd. Sec. 3, Ch. 360, L. 1999; amd. Sec. 12, Ch. 389, L. 1999; amd. Sec. 3, Ch. 497, L. 1999; amd. Sec. 8, Ch. 554, L. 1999; amd. Sec. 6, Ch. 563, L. 1999; amd. Sec. 3, Ch. 10, Sp. L. May 2000; amd. Sec. 29, Ch. 7, L. 2001; amd. Sec. 9, Ch. 414, L. 2001; amd. Sec. 1, Ch. 500, L. 2001; amd. Sec. 3, Ch. 554, L. 2001; amd. Sec. 11, Ch. 567, L. 2001; amd. Sec. 107, Ch. 574, L. 2001; amd. Sec. 6, Ch. 577, L. 2001; amd. Sec. 24, Ch. 585, L. 2001; amd. Sec. 3, Ch. 594, L. 2001; amd. Sec. 1, Ch. 10, Sp. L. August 2002; amd. Sec. 9, Ch. 13, Sp. L. August 2002.

Compiler's Comments

2002 Amendments — Composite Section: Chapter 10 in (3) inserted "20-9-622" in list of statutory references. Amendment effective August 16, 2002.

Chapter 13 in (3) deleted "23-5-136" from list of statutory references. Amendment effective August 16, 2002.

Effective Date — Retroactive Applicability: Section 6, Ch. 10, Sp. L. August 2002, provided: “[This act] is effective on passage and approval [approved August 16, 2002] and applies retroactively, within the meaning of 1-2-109, to the fiscal year beginning July 1, 2001.”

TITLE 20 EDUCATION

CHAPTER 9 FINANCE

20-9-342. Deposit of interest and income money by state board of land commissioners. The state board of land commissioners shall annually deposit the interest and income money for each calendar year into the guarantee account, provided for in 20-9-622, for state equalization aid by the last business day of February following the calendar year in which the money was received.

History: En. 75-6908 by Sec. 258, Ch. 5, L. 1971; amd. Sec. 10, Ch. 137, L. 1973; R.C.M. 1947, 75-6908; amd. Sec. 1, Ch. 277, L. 1983; amd. Sec. 35, Ch. 509, L. 1995; amd. Sec. 4, Ch. 554, L. 2001; amd. Sec. 2, Ch. 10, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 10 in middle substituted “into the guarantee account, provided for in 20-9-622” for “into a subfund of the state general fund”; and made minor changes in style. Amendment effective August 16, 2002.

Effective Date — Retroactive Applicability: Section 6, Ch. 10, Sp. L. August 2002, provided: “[This act] is effective on passage and approval [approved August 16, 2002] and applies retroactively, within the meaning of 1-2-109, to the fiscal year beginning July 1, 2001.”

20-9-343. Definition of and revenue for state equalization aid. (1) As used in this title, the term “state equalization aid” means revenue as required in this section for:

- (a) distribution to the public schools for guaranteed tax base aid, BASE aid, state reimbursement for school facilities, and grants for school technology purchases; and
 - (b) negotiated payments authorized under 20-7-420(3) up to \$500,000 a biennium.
- (2) The superintendent of public instruction may spend throughout the biennium funds appropriated for the purposes of guaranteed tax base aid, BASE aid for the BASE funding program, state reimbursement for school facilities, negotiated payments authorized under 20-7-420(3), and school technology purchases.

(3) From July 1, 2001, through June 30, 2003, the following money must be paid into the guarantee account provided for in 20-9-622 for the public schools of the state as indicated:

- (a) interest and income money described in 20-9-341 and 20-9-342; and
- (b) investment income earned by investing interest and income money described in 20-9-341 and 20-9-342.

(4) Beginning July 1, 2003, the following money must be paid into the guarantee account provided for in 20-9-622 for the public schools of the state as indicated:

- (a) (i) subject to subsection (4)(a)(ii), interest and income money described in 20-9-341 and 20-9-342; and
- (ii) an amount of money equal to the income money attributable to the difference between the average sale value of 18 million board feet and the total income produced from the annual timber harvest on common school trust lands during the fiscal year, which is statutorily appropriated, pursuant to 20-9-534, to be used for the purposes of 20-9-533;

- (b) investment income earned by investing interest and income money described in 20-9-341 and 20-9-342.

History: En. 75-6916 by Sec. 266, Ch. 5, L. 1971; amd. Sec. 12, Ch. 137, L. 1973; amd. Sec. 3, Ch. 355, L. 1973; amd. Sec. 12, Ch. 502, L. 1975; amd. Sec. 1, Ch. 356, L. 1977; R.C.M. 1947, 75-6916; amd. Sec. 15, Ch. 634, L. 1979; amd. Sec. 2, Ch. 317, L. 1981; amd. Sec. 1, Ch. 277, L. 1983; amd. Sec. 2, Ch. 20, Sp. L. June 1986; amd. Sec. 70, Ch. 370, L. 1987; amd. Sec. 3, Ch. 662, L. 1987; amd. Sec. 5, Ch. 666, L. 1987; amd. Sec. 37, Ch. 11, Sp. L. June 1989; amd. Sec. 5, Ch. 622, L. 1991; amd. Secs. 1, 3, Ch. 729, L. 1991; amd. Sec. 18, Ch. 787, L. 1991; amd. Sec. 6, Ch. 375, L. 1993; amd. Sec. 8, Ch. 593, L. 1993; amd. Sec. 24, Ch. 633, L. 1993; amd. Sec. 36, Ch. 509, L. 1995; amd. Sec. 4, Ch. 517, L. 1995; amd. Sec. 17, Ch. 237, L. 2001; amd. Sec. 5, Ch. 554, L. 2001; amd. Secs. 3, 5, Ch. 10, Sp. L. August 2002.

Compiler's Comments

2002 Amendment — Coordination: Section 5(1), Ch. 10, Sp. L. August 2002, a coordination section, provided that if [this act] (House Bill No. 7) and House Bill No. 4 are both passed and approved and both bills contain a section

amending 20-9-343, then the coordination instruction in House Bill No. 4 is void and the amendments to this section are those contained in sec. 5, House Bill No. 7. House Bill No. 4 was passed and approved as Ch. 3, Sp. L. August 2002. Section 5, Ch. 10, at beginning of (3) inserted "From July 1, 2001, through June 30, 2003" and after "paid" substituted "into the guarantee account provided for in 20-9-622" for "into a subfund of the state general fund"; at beginning of (3)(a) deleted "(i) subject to subsection (3)(a)(ii)"; deleted former (3)(a)(ii) that read: "(ii) an amount of money equal to the income money attributable to the difference between the average sale value of 18 million board feet and the total income produced from the annual timber harvest on common school trust lands during the fiscal year to the school technology account in the state special revenue fund, which is statutorily appropriated, pursuant to 20-9-534, to be used for the purposes of 20-9-533"; inserted (4) requiring certain money to be paid into the guarantee account for public schools beginning July 1, 2003; and made minor changes in style. Amendment effective August 16, 2002.

Effective Date — Retroactive Applicability: Section 6, Ch. 10, Sp. L. August 2002, provided: "[This act] is effective on passage and approval [approved August 16, 2002] and applies retroactively, within the meaning of 1-2-109, to the fiscal year beginning July 1, 2001."

20-9-534. School technology purchases. By September 1, the superintendent of public instruction shall allocate the annual amount for grants for school technology purchases to each district based on the ratio that each district's BASE budget bears to the statewide BASE budget amount for all school districts multiplied by the amount of money provided in 20-9-343 for the purposes of 20-9-533 in the prior fiscal year. The grants for school technology purchases are statutorily appropriated, as provided in 17-7-502.

History: En. Sec. 6, Ch. 517, L. 1995; amd. Sec. 30, Ch. 22, L. 1997; amd. Sec. 6, Ch. 554, L. 2001; amd. Sec. 2, Ch. 3, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 3 near end of first sentence substituted "provided in 20-9-343 for the purposes of 20-9-533" for "provided in 20-9-343(3)(a)(ii)". Amendment effective August 13, 2002.

Effective Date — Retroactive Applicability: Section 5, Ch. 3, Sp. L. August 2002, provided: "[This act] is effective on passage and approval and applies retroactively, within the meaning of 1-2-109, to school fiscal years beginning July 1, 2001." Approved August 13, 2002.

20-9-620. Definition. (1) As used in 20-9-621, 20-9-622, and this section, "distributable revenue" means, except for that portion of revenue described in 20-9-343(4)(a)(ii) and available on or after July 1, 2003, 77-1-607, and 77-1-613, 95% of all revenue from the management of school trust lands and the permanent fund, including timber sale proceeds, lease fees, interest, dividends, and net realized capital gains.

(2) The term does not include mineral royalties or land sale proceeds that are deposited directly in the permanent fund or net unrealized capital gains that remain in the permanent fund until realized.

History: En. Sec. 1, Ch. 418, L. 2001; amd. Sec. 9(1), Ch. 554, L. 2001; amd. Sec. 3, Ch. 3, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 3 near middle of (1) substituted "described in 20-9-343(4)(a)(ii) and available on or after July 1, 2003" for "described in 20-9-343(3)(a)(ii)". Amendment effective August 13, 2002.

Effective Date — Retroactive Applicability: Section 5, Ch. 3, Sp. L. August 2002, provided: "[This act] is effective on passage and approval and applies retroactively, within the meaning of 1-2-109, to school fiscal years beginning July 1, 2001." Approved August 13, 2002.

20-9-622. Guarantee account. (1) There is a guarantee account in a subfund of the state special revenue fund. The guarantee account is intended to:

(a) stabilize the long-term growth of the permanent fund; and

(b) maintain a constant and increasing distributable revenue stream. All realized capital gains and all distributable revenue must be deposited in the guarantee account. Except as provided in subsections (2) and (3), the guarantee account is statutorily appropriated, as provided in 17-7-502, for distribution to school districts through school equalization aid as provided in 20-9-343.

(2) As long as a portion of the coal severance tax loan authorized in section 8, Chapter 418, Laws of 2001, is outstanding, the department of natural resources and conservation shall annually transfer from the guarantee account to the general fund an amount that represents the amount of interest income that would be earned from the investment of the amount of the loan that is outstanding in the prior year.

(3) The revenue distributed through 20-9-534 must be used for the purposes of 20-9-533.

History: En. Sec. 3, Ch. 418, L. 2001; amd. Sec. 9(2), Ch. 554, L. 2001; amd. Sec. 4, Ch. 10, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 10 at end of first sentence in (1) substituted "state special revenue fund" for "state general fund"; in (1)(b) in second sentence substituted language providing that except as provided in subsections (2) and (3), guarantee account is statutorily appropriated for distribution to school district through school equalization aid as provided in 20-9-343 for former language that read: "Except as provided in subsection (2), the guarantee account must be distributed to school districts through the basic and per-ANB entitlements"; in (2) after "department" inserted "of natural resources and conservation"; inserted (3) requiring revenue distributed through 20-9-534 to be used for the purposes of 20-9-533; and made minor changes in style. Amendment effective August 16, 2002.

Effective Date — Retroactive Applicability: Section 6, Ch. 10, Sp. L. August 2002, provided: "[This act] is effective on passage and approval [approved August 16, 2002] and applies retroactively, within the meaning of 1-2-109, to the fiscal year beginning July 1, 2001."

TITLE 23 PARKS, RECREATION, SPORTS, AND GAMBLING

CHAPTER 5 GAMBLING

23-5-123. Disposal of money confiscated by reason of violation of gambling laws. All fines, penalties, forfeitures, and confiscated money collected by criminal, civil, or administrative process for a violation of a provision of parts 1 through 8 of this chapter or a rule of the department must be deposited in the state general fund.

History: En. Sec. 1, Ch. 25, L. 1933; re-en. Sec. 11167.1, R.C.M. 1935; Sec. 94-2412, R.C.M. 1947; redes. 94-8-412 by Sec. 29, Ch. 513, L. 1973; R.C.M. 1947, 94-8-412; amd. Sec. 9, Ch. 642, L. 1989; amd. Sec. 8, Ch. 398, L. 1993; amd. Sec. 10, Ch. 13, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 13 after "deposited" deleted "one-half" and at end deleted "and one-half in the general fund of the county in which the violation occurred". Amendment effective August 16, 2002.

23-5-136. Injunction and other remedies. (1) If a person has engaged or is engaging in an act or practice constituting a violation of a provision of parts 1 through 8 of this chapter or a rule or order of the department, the department may:

(a) upon clear and convincing evidence, issue a temporary order to cease and desist from the gambling activity, act, or practice for a period not to exceed 60 days;

(b) following notice and an opportunity for hearing, and with the right of judicial review, under the Montana Administrative Procedure Act:

(i) issue a permanent order to cease and desist from the act or practice, which order remains in effect pending judicial review;

(ii) place a licensee on probation;

(iii) suspend for a period not to exceed 180 days a license or permit for the gambling activity, device, or enterprise involved in the act or practice constituting the violation;

(iv) revoke a license or permit for the gambling activity, device, or enterprise involved in the act or practice constituting the violation;

(v) impose a civil penalty not to exceed \$10,000 for each violation, whether or not the person is licensed by the department; and

(vi) impose any combination of the penalties contained in this subsection (1)(b); and

(c) bring an action in district court for relief against the act or practice. The department may not be required to post a bond. On proper showing, the court may:

(i) issue a restraining order, a temporary or permanent injunction, or other appropriate writ;

(ii) suspend or revoke a license or permit; and

(iii) appoint a receiver or conservator for the defendant or the assets of the defendant.

(2) The department may issue a warrant for distraint against an operator who fails to pay a civil penalty imposed under subsection (1) or a tax imposed under 23-5-409 or 23-5-610. The department may issue the warrant for the amount of the unpaid penalty or for the amount of the unpaid tax, plus penalty and accumulated interest on the tax, and shall follow the procedures provided in 15-1-701 through 15-1-708.

(3) (a) A civil penalty imposed under this section must be collected by the department and distributed as provided in 23-5-123.

(b) If a person fails to pay the civil penalty, the amount due is a lien on the person's licensed premises and gambling devices in the state and may be recovered by the department in a civil action.

History: En. Sec. 8, Ch. 642, L. 1989; amd. Sec. 27, Ch. 647, L. 1991; amd. Sec. 9, Ch. 398, L. 1993; amd. Sec. 3, Ch. 626, L. 1993; amd. Sec. 11, Ch. 13, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 13 in (3)(a) deleted last sentence that read: "The local government portion of the penalty payment is statutorily appropriated to the department, as provided in 17-7-502, for deposit to the county or municipal treasury." Amendment effective August 16, 2002.

TITLE 25 CIVIL PROCEDURE

CHAPTER 1 GENERAL PROVISIONS

25-1-201. Fees of clerk of district court. (1) The clerk of district court shall collect the following fees:

(a) at the commencement of each action or proceeding, except a petition for dissolution of marriage, from the plaintiff or petitioner, \$90; for filing a complaint in intervention, from the intervenor, \$80; for filing a petition for dissolution of marriage, \$160; for filing a petition for legal separation, \$150; and for filing a petition for a contested amendment of a final parenting plan, \$120;

(b) from each defendant or respondent, on appearance, \$60;

(c) on the entry of judgment, from the prevailing party, \$45;

(d) for preparing copies of papers on file in the clerk's office, 50 cents a page for the first five pages of each file, for each request, and 25 cents for each additional page;

(e) for each certificate, with seal, \$2;

(f) for oath and jurat, with seal, \$1;

(g) for a search of court records, 50 cents for each year searched, not to exceed a total of \$25;

(h) for filing and docketing a transcript of judgment or transcript of the docket from all other courts, the fee for entry of judgment provided for in subsection (1)(c);

(i) for issuing an execution or order of sale on a foreclosure of a lien, \$5;

(j) for transmission of records or files or transfer of a case to another court, \$5;

(k) for filing and entering papers received by transfer from other courts, \$10;

(l) for issuing a marriage license, \$30;

(m) on the filing of an application for informal, formal, or supervised probate or for the appointment of a personal representative or the filing of a petition for the appointment of a guardian or conservator, from the applicant or petitioner, \$70, which includes the fee for filing a will for probate;

(n) on the filing of the items required in 72-4-303 by a domiciliary foreign personal representative of the estate of a nonresident decedent, \$55;

(o) for filing a declaration of marriage without solemnization, \$30;

(p) for filing a motion for substitution of a judge, \$100;

(q) for filing a petition for adoption, \$75.

(2) Except as provided in subsections (3) and (5) through (7), fees collected by the clerk of district court must:

(a) prior to July 1, 2003, be forwarded to the department of revenue for deposit in the state general fund; and

(b) after June 30, 2003, be deposited in the state general fund as specified by the supreme court administrator.

(3) (a) Of the fee for filing a petition for dissolution of marriage, \$5 must be deposited in the children's trust fund account established in 52-7-102, \$9 must be deposited in the civil legal assistance for indigent victims of domestic violence account established in 3-2-714, and \$30 must be deposited in the partner and family member assault intervention and treatment fund established in 40-15-110.

(b) Of the fee for filing a petition for legal separation, \$5 must be deposited in the children's trust fund account established in 52-7-102 and \$30 must be deposited in the partner and family member assault intervention and treatment fund established in 40-15-110.

(4) If the moving party files a statement signed by the nonmoving party agreeing not to contest an amendment of a final parenting plan at the time the petition for amendment is filed, the clerk of district court may not collect from the moving party the fee for filing a petition for a contested amendment of a parenting plan under subsection (1)(a).

(5) Through June 30, 2003, the clerk of district court shall remit to the credit of the special revenue account established in 42-2-105 \$70 of the filing fee required in subsection (1)(q).

(6) Of the fee for filing an action or proceeding, except a petition for dissolution of marriage, \$9 must be deposited in the civil legal assistance for indigent victims of domestic violence account established in 3-2-714.

(7) The fees collected under subsections (1)(d), (1)(g), and (1)(j) must be deposited in the county district court fund. If a district court fund does not exist, the fees must be deposited in the county general fund for district court operations.

(8) Any filing fees, fines, penalties, or awards collected by the district court or district court clerk not otherwise specifically allocated must be deposited in the state general fund.

History: En. Sec. 4636, Pol. C. 1895; re-en. Sec. 3169, Rev. C. 1907; amd. Sec. 1, Ch. 88, L. 1917; re-en. Sec. 4918, R.C.M. 1921; re-en. Sec. 4918, R.C.M. 1935; amd. Sec. 1, Ch. 218, L. 1967; amd. Sec. 1, Ch. 33, L. 1977; amd. Sec. 1, Ch. 548, L. 1977; R.C.M. 1947, 25-232; amd. Sec. 1, Ch. 493, L. 1981; amd. Sec. 80, Ch. 575, L. 1981; amd. Sec. 1, Ch. 10, L. 1983; amd. Sec. 1, Ch. 12, L. 1983; amd. Sec. 1, Ch. 524, L. 1983; amd. Sec. 11, Ch. 709, L. 1983; amd. Sec. 7, Ch. 610, L. 1985; amd. Sec. 1, Ch. 271, L. 1987; amd. Sec. 1, Ch. 318, L. 1987; amd. Sec. 1, Ch. 642, L. 1987; amd. Sec. 1, Ch. 645, L. 1987; amd. Sec. 1, Ch. 221, L. 1989; amd. Sec. 4, Ch. 664, L. 1989; amd. Secs. 3, 4, Ch. 656, L. 1991; amd. Sec. 1, Ch. 570, L. 1993; amd. Sec. 37, Ch. 287, L. 1997; amd. Sec. 1, Ch. 343, L. 1997; amd. Sec. 160, Ch. 480, L. 1997; amd. Sec. 1, Ch. 484, L. 1997; amd. Sec. 1, Ch. 386, L. 1999; amd. Sec. 1, Ch. 545, L. 1999; amd. Sec. 47, Ch. 257, L. 2001; amd. Sec. 26, Ch. 585, L. 2001; amd. Sec. 12, Ch. 13, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 13 in (2)(a) at beginning inserted "prior to July 1, 2003"; inserted (2)(b) relating to deposit as specified by the supreme court administrator; in (5) at beginning inserted "Through June 30, 2003"; inserted (8) relating to deposit of unallocated collections; and made minor changes in style. Amendment effective August 16, 2002.

Retroactive Applicability: Section 36(3), Ch. 13, Sp. L. August 2002, provided: "(3) [Sections 1, 2, 5, 8, 12, 17, 19, 22, 23, and 25 through 30] apply retroactively, within the meaning of 1-2-109, to July 1, 2002."

TITLE 39 LABOR

CHAPTER 71 WORKERS' COMPENSATION

39-71-2352. Separate payment structure and sources for claims for injuries resulting from accidents that occurred before July 1, 1990, and on or after July 1, 1990 — spending limit — authorizing transfer of money for payment of claims. (1) Premiums paid to the state fund based upon wages payable before July 1, 1990, may be used only to administer and pay claims for injuries resulting from accidents that occurred before July 1, 1990. Premiums paid to the state fund based upon wages payable on or after July 1, 1990, may be used only to administer and pay claims for injuries resulting from accidents that occur on or after July 1, 1990.

(2) The state fund shall:

(a) determine the cost of administering and paying claims for injuries resulting from accidents that occurred before July 1, 1990, and separately determine the cost of administering and paying claims for injuries resulting from accidents that occur on or after July 1, 1990;

(b) keep adequate and separate accounts of the costs determined under subsection (2)(a); and

(c) fund administrative expenses and benefit payments for claims for injuries resulting from accidents that occurred before July 1, 1990, and claims for injuries resulting from accidents that occur on or after July 1, 1990, separately from the sources provided by law.

(3) The state fund may not spend more than \$1.25 million a year to administer claims for injuries resulting from accidents that occurred before July 1, 1990.

(4) As used in this section, "adequately funded" means the present value of:

- (a) the total cost of future benefits remaining to be paid;
- (b) the cost of administering the claims; and
- (c) an additional amount equal to 10% of the total of the amounts in subsections (4)(a) and (4)(b).

(5) Based on audited financial statements adjusted for unrealized gains and losses for the fiscal year ending June 30, 2002, funds in excess of the adequate funding amount established in subsection (4) must be transferred as follows:

(a) Prior to June 30, 2003:

(i) the amount of \$1.9 million must be transferred to the general fund to be transferred to the state library equipment account and appropriated to the university system and the department of public health and human services; and

(ii) the amount of \$2.1 million must be transferred to the school flexibility fund, provided for in 20-9-543.

(b) In the fiscal year ending June 30, 2003, the remaining amount, and in subsequent fiscal years, an amount of funds in excess of the adequate funding amount established in subsection (4) must be transferred to the account established in 39-71-2321 to pay claims for injuries resulting from accidents that occurred on or after July 1, 1990. The total amount of funds transferred under this subsection may not exceed \$63.8 million.

(6) If in any fiscal year after the old fund liability tax is terminated claims for injuries resulting from accidents that occurred before July 1, 1990, are not adequately funded, any amount necessary to pay claims for injuries resulting from accidents that occurred before July 1, 1990, must be transferred from the general fund to the account provided for in 39-71-2321.

(7) The independent actuary engaged by the state fund pursuant to 39-71-2330 shall project the unpaid claims liability for claims for injuries resulting from accidents that occurred before July 1, 1990, each fiscal year until all claims are paid.

History: En. Sec. 2, Ch. 4, Sp. L. May 1990; amd. Sec. 6, Ch. 797, L. 1991; amd. Sec. 6, Ch. 630, L. 1993; amd. Secs. 23, 24, Ch. 276, L. 1997; amd. Sec. 7, Ch. 184, L. 1999; amd. Sec. 1, Ch. 16, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 16 substituted (5) concerning transfers based on audited financial statements adjusted for unrealized gains and losses for former text that read: "By October 1 of each year following the first full fiscal year after termination of the old fund liability tax, any funds in excess of the adequate funding amount established in subsection (4) must be returned to the account established in 39-71-2321 to pay claims for injuries resulting from accidents that occurred on or after July 1, 1990. The total amount of funds returned to the account under this section may not exceed \$63.8 million"; inserted (5)(a) providing for the transfer of funds to the general fund for the state library equipment account, university system, department of public health and human services, and school flexibility fund; inserted (5)(b) providing for the transfer of funds to pay certain injury claims occurring on or after July 1, 1990; in (6) near middle after "any amount" substituted "necessary to pay claims" for "returned to the account in 39-71-2321 to pay claims for injuries resulting from accidents that occurred on or after July 1, 1990, must be transferred back to the account established in 39-71-2321 to pay claims" and at end inserted "must be transferred from the general fund to the account provided for in 39-71-2321"; and made minor changes in style. Amendment effective August 20, 2002.

Effective Date — Retroactive Applicability: Section 3, Ch. 16, Sp. L. August 2002, provided "[This act] is effective on passage and approval [approved August 20, 2002], and [section 1] [39-71-2352] applies retroactively, within the meaning of 1-2-109, to excess funds that have been transferred or are available to be transferred for the fiscal year ending June 30, 2002."

TITLE 46 CRIMINAL PROCEDURE

CHAPTER 12 ARRAIGNMENT OF DEFENDANT

46-12-204. Plea alternatives. (1) A defendant may plead guilty, not guilty, or, with the consent of the court and the prosecutor, nolo contendere. If a defendant refuses to plead or if a defendant corporation fails to appear, the court shall enter a plea of not guilty.

(2) The court may not accept a plea of guilty or nolo contendere without first determining that the plea is voluntary and not the result of force or threats or of promises apart from the plea agreement. The court shall also inquire as to whether the defendant's willingness to plead guilty or nolo contendere results from prior discussions between the prosecutor and the defendant or the defendant's attorney.

(3) With the approval of the court and the consent of the prosecutor, a defendant may enter a plea of guilty or nolo contendere, reserving the right, on appeal from the judgment, to review the adverse determination of any specified pretrial motion. If the defendant prevails on appeal, the defendant must be allowed to withdraw the plea.

(4) The court may not accept a plea of nolo contendere in a case involving a sexual offense, as defined in 46-23-502, except an offense under 45-5-301 through 45-5-303.

History: En. 95-1606 by Sec. 1, Ch. 196, L. 1967; R.C.M. 1947, 95-1606(part); amd. Sec. 2, Ch. 606, L. 1985; amd. Sec. 132, Ch. 800, L. 1991; amd. Sec. 8, Ch. 395, L. 1999; amd. Sec. 1, Ch. 22, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 22 in (4) at end inserted "except an offense under 45-5-301 through 45-5-303". Amendment effective August 21, 2002.

Applicability: Section 9, Ch. 22, Sp. L. August 2002, provided: "[This act] applies to convictions on or after [the effective date of this act]." Effective August 21, 2002.

CHAPTER 18 SENTENCE AND JUDGMENT

46-18-202. Additional restrictions on sentence. (1) The sentencing judge may also impose any of the following restrictions or conditions on the sentence provided for in 46-18-201 that the judge considers necessary to obtain the objectives of rehabilitation and the protection of the victim and society:

- (a) prohibition of the offender's holding public office;
- (b) prohibition of the offender's owning or carrying a dangerous weapon;
- (c) restrictions on the offender's freedom of association;
- (d) restrictions on the offender's freedom of movement;
- (e) a requirement that the defendant provide a biological sample for DNA testing for purposes of Title 44, chapter 6, part 1, if an agreement to do so is part of the plea bargain;
- (f) any other limitation reasonably related to the objectives of rehabilitation and the protection of the victim and society.

(2) Whenever the sentencing judge imposes a sentence of imprisonment in a state prison for a term exceeding 1 year, the sentencing judge may also impose the restriction that the offender is ineligible for parole and participation in the supervised release program while serving that term. If the restriction is to be imposed, the sentencing judge shall state the reasons for it in writing. If the sentencing judge finds that the restriction is necessary for the protection of society, the judge shall impose the restriction as part of the sentence and the judgment must contain a statement of the reasons for the restriction.

(3) An offender convicted of a sexual offense, as defined in 46-23-502, except an offense under 45-5-301 through 45-5-303, and sentenced to imprisonment in a state prison shall enroll in and complete the educational phase of the prison's sexual offender program.

History: En. 95-2206 by Sec. 1, Ch. 196, L. 1967; rep. and re-en. by Sec. 31, Ch. 513, L. 1973; amd. Sec. 36, Ch. 184, L. 1977; amd. Sec. 1, Ch. 436, L. 1977; amd. Sec. 1, Ch. 580, L. 1977; amd. Sec. 12, Ch. 584, L. 1977; R.C.M. 1947, 95-2206(3); amd. Sec. 22, Ch. 116, L. 1979; amd. Sec. 10, Ch. 583, L. 1981; amd. Sec. 2, Ch. 392, L. 1987; amd. Sec. 44, Ch. 262, L. 1993; amd. Sec. 11, Ch. 125, L. 1995; amd. Sec. 17, Ch. 350, L. 1995; amd. Sec. 6, Ch. 550, L. 1995; amd. Sec. 4, Ch. 52, L. 1999; amd. Sec. 5, Ch. 147, L. 1999; amd. Sec. 2, Ch. 22, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 22 in (3) near middle inserted "except an offense under 45-5-301 through 45-5-303". Amendment effective August 21, 2002.

Applicability: Section 9, Ch. 22, Sp. L. August 2002, provided: "[This act] applies to convictions on or after [the effective date of this act]." Effective August 21, 2002.

46-18-256. Sexually transmitted disease testing — test procedure. (1) Following entry of judgment, a person convicted of a sexual offense, as defined in 46-23-502, except an

offense under 45-5-301 through 45-5-303, must, at the request of the victim of the sexual offense or the parent or guardian of the victim, if the victim is a minor, be administered standard testing according to currently accepted protocol, using guidelines established by the centers for disease control, U.S. department of health and human services, to detect in the person the presence of antibodies indicative of the presence of human immunodeficiency virus (HIV) or other sexually transmitted diseases, as defined in 50-18-101.

(2) Arrangements for the test required by subsection (1) must be made by the county attorney of the county in which the person was convicted. The test must be conducted by a health care provider, as defined in 50-16-504.

(3) The county attorney of the county in which the person was convicted shall release the information concerning the test results to:

(a) the convicted person; and

(b) the victim of the offense committed by the convicted person or to the parent or guardian of the victim if the victim is a minor.

(4) At the request of the victim of a sexual offense or the parent or guardian of the victim if the victim is a minor, the victim must be provided counseling regarding HIV disease, HIV testing (in accordance with applicable law), and referral for appropriate health care and support services.

(5) For purposes of this section, "convicted" includes an adjudication, under the provisions of 41-5-1502, finding a youth to be a delinquent youth or a youth in need of intervention.

(6) The provisions of the AIDS Prevention Act, Title 50, chapter 16, part 10, do not apply to this section.

History: En. Sec. 1, Ch. 504, L. 1991; amd. Sec. 1, Ch. 71, L. 1993; amd. Sec. 56, Ch. 550, L. 1997; amd. Sec. 3, Ch. 22, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 22 in (1) near beginning inserted "except an offense under 45-5-301 through 45-5-303". Amendment effective August 21, 2002.

Applicability: Section 9, Ch. 22, Sp. L. August 2002, provided: "[This act] applies to convictions on or after [the effective date of this act]." Effective August 21, 2002.

CHAPTER 23 PROBATION, PAROLE, AND CLEMENCY

46-23-502. Definitions. As used in 46-18-255 and this part, the following definitions apply:

(1) "Department" means the department of corrections provided for in 2-15-2301.

(2) "Mental abnormality" means a congenital or acquired condition that affects the mental, emotional, or volitional capacity of a person in a manner that predisposes the person to the commission of one or more sexual offenses to a degree that makes the person a menace to the health and safety of other persons.

(3) "Personality disorder" means a personality disorder as defined in the fourth edition of the Diagnostic and Statistical Manual of Mental Disorders adopted by the American psychiatric association.

(4) "Predatory sexual offense" means a sexual offense committed against a stranger or against a person with whom a relationship has been established or furthered for the primary purpose of victimization.

(5) "Sexual offender evaluator" means a person qualified under rules established by the department to conduct sexual offender and sexually violent predator evaluations.

(6) "Sexual offense" means:

(a) any violation of or attempt, solicitation, or conspiracy to commit a violation of 45-5-301 (if the victim is less than 18 years of age and the offender is not a parent of the victim), 45-5-302, 45-5-303, 45-5-502(3), 45-5-503, 45-5-504(1) (if the victim is under 18 years of age and the offender is 18 years of age or older), 45-5-504(2)(c), 45-5-507 (if the victim is under 18 years of age and the offender is 3 or more years older than the victim), 45-5-603(1)(b), or 45-5-625; or

(b) any violation of a law of another state or the federal government reasonably equivalent to a violation listed in subsection (6)(a).

(7) "Sexual or violent offender" means a person who has been convicted of a sexual or violent offense.

(8) "Sexually violent predator" means a person who has been convicted of a sexual offense and who suffers from a mental abnormality or a personality disorder that makes the person likely to engage in predatory sexual offenses.

(9) "Violent offense" means:

(a) any violation of or attempt, solicitation, or conspiracy to commit a violation of 45-5-102, 45-5-103, 45-5-202, 45-5-206 (third or subsequent offense), 45-5-210(1)(b), (1)(c), or (1)(d), 45-5-212, 45-5-213, 45-5-401, or 45-6-103; or

(b) any violation of a law of another state or the federal government reasonably equivalent to a violation listed in subsection (9)(a).

History: En. Sec. 2, Ch. 293, L. 1989; amd. Sec. 1, Ch. 262, L. 1991; amd. Sec. 5, Ch. 407, L. 1995; amd. Sec. 231, Ch. 546, L. 1995; amd. Secs. 7, 12, Ch. 550, L. 1995; amd. Sec. 5, Ch. 375, L. 1997; amd. Sec. 1, Ch. 227, L. 1999; amd. Sec. 19, Ch. 432, L. 1999; amd. Sec. 4, Ch. 22, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 22 in definition of sexual offense in (a) near beginning inserted "45-5-301 (if the victim is less than 18 years of age and the offender is not a parent of the victim), 45-5-302, 45-5-303" and near end inserted "45-5-603(1)(b)"; and in definition of violent offense deleted from the listed offenses "45-5-301 (if the victim is less than 18 years of age and the offender is not a parent of the victim), 45-5-302, 45-5-303" and "45-5-603(1)(b)". Amendment effective August 21, 2002.

Applicability: Section 9, Ch. 22, Sp. L. August 2002, provided: "[This act] applies to convictions on or after [the effective date of this act]." Effective August 21, 2002.

46-23-504. Persons required to register — procedure. (1) A sexual or violent offender:

(a) shall register immediately upon conclusion of the sentencing hearing if the offender is not sentenced to confinement or is not sentenced to the department and placed in confinement by the department;

(b) must be registered as provided in 46-23-503 at least 10 days prior to release from confinement if sentenced to confinement or sentenced to the department and placed in confinement by the department;

(c) shall register within 10 days of entering a county of this state for the purpose of residing or setting up a temporary domicile for 10 days or more or for an aggregate period exceeding 30 days in a calendar year.

(2) Registration under subsection (1)(a) must be with the probation office having supervision over the offender. Registration under subsection (1)(c) must be with the chief of police of the municipality or the sheriff of the county if the offender resides in an area other than a municipality. Whichever person an offender registers with under subsection (1)(c) shall notify the other person of the registration.

(3) At the time of registering, the offender shall sign a statement in writing giving the information required by the department of justice. The chief of police or sheriff shall fingerprint the offender, unless the offender's fingerprints are on file with the department of justice, and shall photograph the offender. Within 3 days, the chief of police or sheriff shall send copies of the statement, fingerprints, and photographs to the department of justice.

(4) The department of justice shall mail a registration verification form each 90 days to an offender designated as a level 3 offender under 46-23-509 and each year to a violent offender or an offender designated as a level 1 or level 2 offender under 46-23-509. The form must require the offender's current address and notarized signature. Within 10 days after receipt of the form, the offender shall complete the form and return it to the department.

(5) The offender is responsible, if able to pay, for costs associated with registration. The fees charged for registration may not exceed the actual costs of registration. The department of justice may adopt a rule establishing fees to cover registration costs incurred by the department of justice in maintaining registration and address verification records. The fees must be deposited in the general fund.

(6) The clerk of the district court in the county in which a person is convicted of a sexual or violent offense shall notify the sheriff in that county of the conviction within 10 days after entry of the judgment.

History: En. Sec. 5, Ch. 293, L. 1989; amd. Sec. 7, Ch. 407, L. 1995; amd. Sec. 7, Ch. 375, L. 1997; amd. Sec. 5, Ch. 22, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 22 in (1)(c) at end substituted "or for an aggregate period exceeding 30 days in a calendar year" for "if the offender was sentenced in another state". Amendment effective August 21, 2002.

Applicability: Section 9, Ch. 22, Sp. L. August 2002, provided: "[This act] applies to convictions on or after [the effective date of this act]." Effective August 21, 2002.

46-23-506. Duration of registration. (1) A sexual offender required to register under this part shall register for the remainder of the offender's life, except as provided in subsection (3) or during a period of time during which the offender is in prison.

(2) A violent offender required to register under this part shall register:

(a) for the 10 years following release from confinement or, if not confined following sentencing, for the 10 years following the conclusion of the sentencing hearing; or

(b) if convicted during the 10-year period provided in subsection (2)(a) of failing to register or keep registration current or of a felony, for the remainder of the offender's life unless relieved of the duty to register as provided in subsection (3).

(3) Except as provided in subsection (5), at any time after 10 years of registration, the offender may petition the sentencing court or the district court for the judicial district in which the offender resides for an order relieving the offender of the duty to register. The petition must be served on the county attorney in the county where the petition is filed. Prior to a hearing on the petition, the county attorney shall mail a copy of the petition to the victim of the last offense for which the offender was convicted if the victim's address is reasonably available. The court shall consider any written or oral statements of the victim. The court may grant the petition upon finding that:

(a) the offender has remained a law-abiding citizen; and

(b) continued registration is not necessary for public protection and that relief from registration is in the best interests of society.

(4) The offender may move that all or part of the proceedings in a hearing under subsection (3) be closed to the public, or the judge may close them on the judge's own motion. If a proceeding is closed to the public, the judge shall permit a victim of the offense to be present unless the judge determines that exclusion of the victim is necessary to protect the offender's right of privacy or the safety of the victim. If the victim is present, the judge, at the victim's request, shall permit the presence of an individual to provide support to the victim unless the judge determines that exclusion of the individual is necessary to protect the offender's right to privacy.

(5) Subsection (3) does not apply to an offender who was convicted of:

(a) a violation of 45-5-503 if:

(i) the victim was compelled to submit by force, as defined in 45-5-501, against the victim or another; or

(ii) at the time the offense occurred, the victim was under 12 years of age;

(b) a violation of 45-5-507 if at the time the offense occurred the victim was under 12 years of age and the offender was 3 or more years older than the victim;

(c) a second or subsequent sexual offense that requires registration; or

(d) a sexual offense and was designated as a sexually violent predator under 46-23-509.

History: En. Sec. 7, Ch. 293, L. 1989; amd. Sec. 9, Ch. 407, L. 1995; amd. Sec. 8, Ch. 550, L. 1995; amd. Sec. 9, Ch. 375, L. 1997; amd. Sec. 2, Ch. 227, L. 1999; amd. Sec. 6, Ch. 22, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 22 inserted (5)(a)(ii) exempting an offender from subsection (3) if the victim was under 12 years of age when the offense occurred; and made minor changes in style. Amendment effective August 21, 2002.

Applicability: Section 9, Ch. 22, Sp. L. August 2002, provided: "[This act] applies to convictions on or after [the effective date of this act]." Effective August 21, 2002.

46-23-509. Sexual offender evaluations and designations — rulemaking authority. (1) The department shall adopt rules for the qualification of sexual offender evaluators who conduct sexual offender and sexually violent predator evaluations and for determinations by sexual offender evaluators of the risk of a repeat offense and the threat that an offender poses to the public safety.

(2) Prior to sentencing of a person convicted of a sexual offense, the department or a sexual offender evaluator shall provide the court with a sexual offender evaluation report recommending one of the following levels of designation for the offender:

- (a) level 1, the risk of a repeat sexual offense is low;
- (b) level 2, the risk of a repeat sexual offense is moderate;
- (c) level 3, the risk of a repeat sexual offense is high, there is a threat to public safety, and the sexual offender evaluator believes that the offender is a sexually violent predator.

(3) Upon sentencing the offender, the court shall:

- (a) review the sexual offender evaluation report, any statement by a victim, and any statement by the offender;
- (b) designate the offender as level 1, 2, or 3; and
- (c) designate a level 3 offender as a sexually violent predator.

(4) An offender designated as a level 2 offender may petition the sentencing court to change the offender's designation if the offender has enrolled in and successfully completed the treatment phase of either the prison's sexual offender program or of an equivalent program approved by the department. After considering the petition, the court may change the offender's risk level designation if the court finds by clear and convincing evidence that the offender's risk of committing a repeat sexual offense has changed since the time sentence was imposed. The court shall impose one of the three risk levels specified in this section.

(5) If, at the time of sentencing, the sentencing judge did not apply a level designation to a sexual offender who is required to register under this part, the department shall designate the offender as level 1, 2, or 3 when the offender is released from confinement.

History: En. Sec. 12, Ch. 375, L. 1997; amd. Sec. 2, Ch. 358, L. 1999; amd. Sec. 7, Ch. 22, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 22 in (4) near beginning after "level 2" deleted "or level 3". Amendment effective August 21, 2002.

Applicability: Section 9, Ch. 22, Sp. L. August 2002, provided: "[This act] applies to convictions on or after [the effective date of this act]." Effective August 21, 2002.

46-23-1031. Supervisory fees — account established. (1) (a) Except as provided in subsection (1)(b), a probationer or parolee shall pay a supervisory fee of no less than \$120 a year and no more than \$360 a year, prorated at no less than \$10 a month for the number of months under supervision. The fee must be collected by the clerk of the district court with jurisdiction during the probationer's or parolee's period of supervision under this part.

(b) The court or the board may reduce or waive the fee or suspend the monthly payment of the fee if it determines that the payment would cause the probationer or parolee a significant financial hardship.

(2) (a) There is an account in the state special revenue fund for the fees collected under the provisions of this section.

(b) (i) Prior to July 1, 2003, district court clerks shall deduct from the total fees collected pursuant to subsection (1) the administrative cost of collecting and accounting for the fees and shall deposit the remaining amount into the state special revenue account established in subsection (2)(a).

(ii) After June 30, 2003, district court clerks shall deposit the fees into the state special revenue account established in subsection (2)(a) as specified by the supreme court administrator.

History: En. Sec. 1, Ch. 577, L. 1993; amd. Sec. 7, Ch. 505, L. 1999; amd. Sec. 13, Ch. 13, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 13 in (2)(b)(i) at beginning inserted "Prior to July 1, 2003"; inserted (2)(b)(ii) relating to deposit as specified by the supreme court administrator; and made minor changes in style. Amendment effective August 16, 2002.

**TITLE 50
HEALTH AND SAFETY**

**CHAPTER 15
VITAL STATISTICS**

50-15-301. Marriage certificates. Before the 10th day of each month, each clerk of a district court shall report marriage certificates filed during the preceding calendar month to the department. Reports must be on forms and contain information prescribed by the department. The applicant for a marriage license shall pay a recording fee of 25 cents to the officer authorized to issue the marriage license. Beginning July 1, 2003, the recording fee must be forwarded to the state for deposit in the state general fund.

History: En. Sec. 72, Ch. 197, L. 1967; amd. Secs. 107 and 110, Ch. 349, L. 1974; R.C.M. 1947, 69-4432; amd. Sec. 7, Ch. 228, L. 1981; amd. Sec. 14, Ch. 13, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 13 inserted last sentence relating to deposit in the state general fund; and made minor changes in style. Amendment effective August 16, 2002.

**TITLE 53
SOCIAL SERVICES AND INSTITUTIONS**

**CHAPTER 2
ADMINISTRATION OF PUBLIC ASSISTANCE**

53-2-207. Power of department in administering state and federal funds. In administering or supervising any state or federal funds appropriated or made available to the department for public assistance purposes, the department may:

- (1) make use of all legal processes to enforce the standards prescribed for public assistance purposes by the department; and
- (2) require that each part of the public assistance laws be in effect in all counties of the state.

History: En. Sec. 8, Part 1, Ch. 82, L. 1937; amd. Sec. 15, Ch. 37, L. 1977; R.C.M. 1947, 71-212; amd. Sec. 12, Ch. 561, L. 1993; amd. Sec. 14, Ch. 571, L. 2001; amd. Sec. 15, Ch. 13, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 13 deleted former (1) that read: "(1) require the county to pay an administrative fee to the state general fund for the purpose of reimbursing the department, in part, for the costs of administering and providing public assistance to county residents in need"; and made minor changes in style. Amendment effective August 16, 2002.

Retroactive Applicability: Section 36(2), Ch. 13, Sp. L. August 2002, provided: "(2) [Sections 3, 4, 7, 15, 16, 18, 20, 21, and 34] apply retroactively, within the meaning of 1-2-109, to July 1, 2001."

**CHAPTER 19
PHYSICALLY DISABLED**

53-19-306. Program established — purpose. (1) The committee shall establish and administer a program to provide specialized telecommunications equipment and services to persons with disabilities and to assist appropriate facilities in obtaining hearing screening equipment that determines if infants have a hearing impairment. The legislature may allocate funds to the Montana school for the deaf and blind to be used for the purposes established in subsection (2).

(2) The purpose of the program is to:

- (a) furnish specialized telecommunications equipment to meet the needs of persons with disabilities;
- (b) provide a telecommunications relay service system to connect persons with disabilities with all phases of public telecommunications service, including telecommunications service to emergency services and public safety agencies as defined in 10-4-101; and

(c) determine if infants are hearing-impaired as early as possible in order to reduce long-term costs in providing assistance.

History: En. Sec. 7, Ch. 669, L. 1989; amd. Sec. 6, Ch. 396, L. 1997; amd. Sec. 64, Ch. 472, L. 1997; amd. Sec. 2, Ch. 297, L. 2001; amd. Sec. 1, Ch. 18, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 18 in (1) inserted last sentence relating to funds for the Montana school for the deaf and blind. Amendment effective August 20, 2002.

53-19-310. Fund for telecommunications services for persons with disabilities.

(1) There is an account for telecommunications services for persons with disabilities in the state special revenue fund in the state treasury. The account consists of:

(a) all monetary contributions, gifts, and grants received by the committee as provided in 53-19-309;

(b) all charges billed and collected pursuant to 53-19-311; and

(c) all fees received pursuant to 53-19-307.

(2) Unless allocated to the Montana school for the deaf and blind, the money in the account is allocated to the committee for purposes of implementing this part.

(3) All expenditures of the committee in administering this part must be paid from money deposited in the account.

History: En. Sec. 11, Ch. 669, L. 1989; amd. Sec. 9, Ch. 396, L. 1997; amd. Sec. 66, Ch. 472, L. 1997; amd. Sec. 4, Ch. 297, L. 2001; amd. Sec. 2, Ch. 18, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 18 at beginning of (2) inserted "Unless allocated to the Montana school for the deaf and blind"; and made minor changes in style. Amendment effective August 20, 2002.

CHAPTER 24 ALCOHOLISM AND DRUG DEPENDENCE

53-24-108. (Temporary) Use of funds generated by taxation on alcoholic beverages. (1) Revenue generated by 16-1-404, 16-1-406, and 16-1-411 and allocated to the department to be used as matching funds for the Montana medicaid program and to be used in state-approved private or public programs whose function is the treatment, rehabilitation, and prevention of alcoholism, which for the purposes of this section includes chemical dependency, may be distributed in any of the following ways:

(a) as payment of fees for alcoholism services provided by state-approved private or public alcoholism programs and licensed hospitals for detoxification services;

(b) as grants to state-approved private or public alcoholism programs; or

(c) as matching funds for the Montana medicaid program administered by the department that are used for the treatment of alcoholism, chemical dependency, and related illnesses.

(2) (a) Services provided by funding under this chapter may include treatment and rehabilitation for persons with co-occurring mental illness and chemical dependency.

(b) The department shall distribute at least \$1 million to state-approved chemical dependency programs during fiscal year 2003. During fiscal year 2003, the department may use other sources of funding to meet its obligations under this subsection (2)(b). At least \$730,000 of funds distributed under this subsection (2)(b) must be derived from revenue generated by 16-1-404, 16-1-406, and 16-1-411 and must be distributed to counties, as provided in 53-24-206(3)(b), for the private or public programs approved pursuant to 53-24-208. The remaining balance may consist of a combination of funds generated by taxation on alcoholic beverages and other funds available to the department.

(3) A person operating a state-approved alcoholism program may not be required to provide matching funds as a condition of receiving a grant under subsection (1).

(4) In addition to funding received under this section, a person operating a state-approved alcoholism program may accept gifts, bequests, or the donation of services or money for the treatment, rehabilitation, or prevention of alcoholism.

(5) A person receiving funding under this section to support operation of a state-approved alcoholism program may not refuse alcoholism treatment, rehabilitation, or prevention services to a person solely because of that person's inability to pay for those services.

(6) A grant made under this section is subject to the following conditions:

(a) The grant application must contain an estimate of all program income, including income from earned fees, gifts, bequests, donations, and grants from other than state sources during the period for which grant support is sought.

(b) Whenever, during the period of grant support, program income exceeds the amount estimated in the grant application, the amount of the excess must be reported to the grantor.

(c) The excess must be used by the grantee under the terms of the grant in accordance with one or a combination of the following options:

(i) use for any purpose that furthers the objectives of the legislation under which the grant was made; or

(ii) to allow program growth through the expansion of services or for capital expenditures necessary to improve facilities where services are provided.

(7) Revenue generated by 16-1-404, 16-1-406, and 16-1-411 for the treatment, rehabilitation, and prevention of alcoholism that has not been encumbered for those purposes by the counties of Montana or the department must be returned to the state special revenue fund for the treatment, rehabilitation, and prevention of alcoholism within 30 days after the close of each fiscal year and must be distributed by the department the following year as provided in 53-24-206(3)(b). (*Terminates July 1, 2003—sec. 6, Ch. 470, L. 2001; sec. 3, Ch. 21, Sp. L. August 2002.*)

53-24-108. (Effective July 1, 2003) Use of funds generated by taxation on alcoholic beverages. (1) Revenue generated by 16-1-404, 16-1-406, and 16-1-411 and allocated to the department to be used in state-approved private or public programs whose function is the treatment, rehabilitation, and prevention of alcoholism, which for the purposes of this section includes chemical dependency, may be distributed in any of the following ways:

(a) as payment of fees for alcoholism services provided by state-approved private or public alcoholism programs and licensed hospitals for detoxification services;

(b) as grants to state-approved private or public alcoholism programs; or

(c) as matching funds for the Montana medicaid program administered by the department that are used for alcoholism and chemical dependency programs.

(2) A person operating a state-approved alcoholism program may not be required to provide matching funds as a condition of receiving a grant under subsection (1).

(3) In addition to funding received under this section, a person operating a state-approved alcoholism program may accept gifts, bequests, or the donation of services or money for the treatment, rehabilitation, or prevention of alcoholism.

(4) A person receiving funding under this section to support operation of a state-approved alcoholism program may not refuse alcoholism treatment, rehabilitation, or prevention services to a person solely because of that person's inability to pay for those services.

(5) A grant made under this section is subject to the following conditions:

(a) The grant application must contain an estimate of all program income, including income from earned fees, gifts, bequests, donations, and grants from other than state sources during the period for which grant support is sought.

(b) Whenever, during the period of grant support, program income exceeds the amount estimated in the grant application, the amount of the excess must be reported to the grantor.

(c) The excess must be used by the grantee under the terms of the grant in accordance with one or a combination of the following options:

(i) use for any purpose that furthers the objectives of the legislation under which the grant was made; or

(ii) to allow program growth through the expansion of services or for capital expenditures necessary to improve facilities where services are provided.

(6) Revenue generated by 16-1-404, 16-1-406, and 16-1-411 for the treatment, rehabilitation, and prevention of alcoholism that has not been encumbered for those purposes by the counties of Montana or the department must be returned to the state special revenue fund for the treatment, rehabilitation, and prevention of alcoholism within 30 days after the close of each fiscal year and must be distributed by the department the following year as provided in 53-24-206(3)(b).

History: En. 80-2725 by Sec. 7, Ch. 414, L. 1977; R.C.M. 1947, 80-2725; amd. Sec. 16, Ch. 38, L. 1979; amd. Sec. 2, Ch. 711, L. 1979; amd. Sec. 1, Ch. 183, L. 1981; amd. Sec. 1, Ch. 277, L. 1983; amd. Sec. 2, Ch. 513, L. 1983; amd. Sec. 1, Ch. 402, L. 1987; amd. Sec. 47, Ch. 422, L. 1997; amd. Sec. 4, Ch. 470, L. 2001; amd. Sec. 1, Ch. 21, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 21 in (1) after "department to be used" inserted "as matching funds for the Montana medicaid program and to be used"; in (1)(c) substituted "for the treatment of alcoholism, chemical dependency, and related illnesses" for "for alcoholism and chemical dependency programs"; in (2)(a) at beginning deleted "After providing funding pursuant to 53-24-206(3)(b) of at least \$1 million a year" and at end deleted "but the total amount expended may not exceed \$1.3 million in each biennium"; inserted (2)(b) relating to distribution of at least \$1 million to state-approved chemical dependency programs; and made minor changes in style. Amendment effective August 21, 2002, and terminates July 1, 2003.

TITLE 61 MOTOR VEHICLES

CHAPTER 3 CERTIFICATES OF OWNERSHIP, REGISTRATION, AND TAXATION OF MOTOR VEHICLES

61-3-201. Transfer of interest — cancellation of erroneous certificate of ownership or registration. (1) Upon a transfer of any interest in a motor vehicle registered under the provisions of this chapter, the person whose interest is to be transferred shall sign the certificate of ownership issued for the vehicle in the appropriate space provided, and the signature must be acknowledged before the county treasurer, a deputy county treasurer, an elected official authorized to acknowledge signatures, an employee of the department, or a notary public.

(2) Within 20 calendar days after endorsement, the transferee shall forward both the endorsed certificate of ownership with the odometer mileage statement required under 61-3-206 and the certificate of registration, together with the information required under 61-3-202, to the county treasurer, who shall forward them to the department. The department may not issue a certificate of ownership or certificate of registration until the outstanding certificates are surrendered to that office or their loss is established to its reasonable satisfaction. Failure to make application within the 20-day grace period subjects the transferee to a penalty of \$10. The county treasurer shall collect the penalty at the time of registration and forward the penalty fee to the department of revenue for deposit in the state general fund. The penalty is in addition to the fees otherwise provided by law. If the transferee does not make application within 25 days, a creditor or secured party may pay the fees for the transfer of title and filing of security interest or lien in order to have title transferred to the transferee and have the security interest or lien filed. The creditor or secured party is not liable for the penalty, registration fees, or taxes. The department shall return the certificate of title to the county treasurer as provided in 61-3-103(1). When the certificate of ownership is returned by the department to the county treasurer, the treasurer shall hold the certificate of ownership until the vehicle is properly registered.

(3) In the event of a transfer by operation of law of any interest in a motor vehicle as upon inheritance, devise, or bequest, order in bankruptcy or insolvency, execution sale, repossession upon default in the performance of the terms of a lease or executory sales contract, or otherwise than by voluntary act of the person whose title or interest is transferred, the executor, administrator, receiver, trustee, sheriff, or other representative or successor in interest of the person whose interest is transferred shall forward to the department an application for a certificate of ownership in the form required by the department, together with a verified or certified statement of the transfer of interest. The statement must set forth the reason for the involuntary transfer, the interest transferred, the name of the person to whom the interest is to be transferred, the process of procedure effecting the transfer, and other information requested by the department. Evidence and instruments otherwise required by law to effect a transfer of legal or equitable title to or an interest in chattels must be furnished with the statement. If the department is satisfied that the transfer is regular and that all formalities required by law have

been complied with, it shall send to the owner, conditional sales vendor, lessor, mortgagee, and other lienor, as shown by its records, notice of the intended transfer and, not less than 5 days after sending notice, shall issue a new certificate of ownership and certificate of registration to the transferee. The notice required by this section is complied with by deposit in the U.S. mail of the notice, postage prepaid, addressed to the person at the respective address shown on its records.

(4) When the vehicle certificate of ownership that is involuntarily transferred is not registered in this state, the procedure in subsection (3) must be followed in applying for a new certificate of ownership and certificate of registration. However, in lieu of the statement required in subsection (3), the department may accept an affidavit of repossession on the form provided by the state in which a lien has been perfected and the department need not send notice of intended transfer and shall issue a new certificate of ownership and a new certificate of registration to the person entitled to the certificates.

(5) (a) If the owner of one or more motor vehicles, trailers, semitrailers, or housetrailer registered under this chapter and not exceeding a combined value of \$15,000 dies without leaving other property necessitating the procuring of letters of administration or letters testamentary, the surviving spouse or other heir unless the property is by will otherwise bequeathed may secure transfer of the decedent's certificate of ownership and the certificate of registration for the vehicle.

(b) The person seeking transfer of the certificate of ownership shall file an affidavit with the department setting forth the fact of survivorship and the name and address of any other heirs and other facts as are necessary under subsection (5)(a) to entitle the affiant to a transfer.

(c) The department is authorized to transfer the certificate of ownership and certificate of registration, subject to all security interests shown by its records, upon receipt of an affidavit showing that the affiant is entitled to a transfer under the provisions of subsection (5)(a).

(6) Subsection (5) does not prevent a secured party from assigning the secured party's interest in a motor vehicle registered under the provisions of this chapter to any other person without the consent of and without affecting the interest of the holder of the certificate of ownership and certificate of registration. Upon any assignment by a secured party of the secured party's security interest in any motor vehicle registered under this chapter, a copy of the assignment must be filed with the department and a record of the assignment must be made in its records.

(7) The certificate of ownership is valid until canceled by the department upon a transfer of any interest shown in the certificate, and annual renewal is not needed.

(8) (a) Upon its determination that a certificate of ownership or a registration receipt contains an error or that the applicant has paid the required fees and taxes with an insufficient funds check and if the department has been notified of that fact by the county attorney, the department may cancel the certificate of ownership or receipt and, in the case of an error, issue a replacement for the erroneous certificate or receipt if the owner has returned the certificate or receipt to be canceled. If the owner fails to return to the department the certificate of ownership, the registration receipt, or the license plate, the department shall direct a peace officer or department employee to secure and return the certificate, receipt, or license plate to the department.

(b) Any person who fails to return a certificate of ownership or a registration receipt that contains an error or that has been canceled by the department because of an insufficient funds check, as provided in subsection (8)(a), after receiving actual notice of the department's demand for the return of the certificate or receipt, as required by subsection (8)(a), is guilty of a misdemeanor and upon conviction may be fined an amount not to exceed \$500.

History: (1) thru (6) En. Subd. 3, Sec. 2, Ch. 159, L. 1933; re-en. Sec. 1758.2, R.C.M. 1935; amd. Sec. 6, Ch. 72, L. 1937; amd. Sec. 2, Ch. 148, L. 1943; amd. Sec. 2, Ch. 63, L. 1945; amd. Sec. 1, Ch. 191, L. 1967; amd. Sec. 1, Ch. 213, L. 1969; amd. Sec. 2, Ch. 138, L. 1971; amd. Sec. 1, Ch. 399, L. 1977; Sec. 53-109, R.C.M. 1947; (7) En. Subd. 2, Sec. 2, Ch. 159, L. 1933; re-en. Sec. 1758.1, R.C.M. 1935; amd. Sec. 1, Ch. 244, L. 1955; amd. Sec. 1, Ch. 146, L. 1957; amd. Sec. 1, Ch. 100, L. 1959; amd. Sec. 25, Ch. 121, L. 1965; amd. Sec. 1, Ch. 116, L. 1969; amd. Sec. 8, Ch. 127, L. 1969; amd. Sec. 1, Ch. 138, L. 1971; amd. Sec. 2, Ch. 214, L. 1971; amd. Sec. 11, Ch. 74, L. 1975; Sec. 53-108, R.C.M. 1947; R.C.M. 1947, 53-108(part), 53-109; amd. Sec. 1, Ch. 203, L. 1979; amd. Sec. 29, Ch. 421, L. 1979; amd. Sec. 1, Ch. 324, L. 1985; amd. Sec. 2, Ch. 358, L. 1985; amd. Sec. 1, Ch.

503, L. 1985; amd. Sec. 1, Ch. 104, L. 1989; amd. Sec. 3, Ch. 363, L. 1989; amd. Sec. 3, Ch. 604, L. 1991; amd. Sec. 3, Ch. 724, L. 1991; amd. Sec. 16, Ch. 13, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 13 in (2) in fourth sentence at end inserted "and forward the penalty fee to the department of revenue for deposit in the state general fund"; and made minor changes in style. Amendment effective August 16, 2002.

Retroactive Applicability: Section 36(2), Ch. 13, Sp. L. August 2002, provided: "(2) [Sections 3, 4, 7, 15, 16, 18, 20, 21, and 34] apply retroactively, within the meaning of 1-2-109, to July 1, 2001."

61-3-317. New registration required for transferred vehicle — grace period — penalty — display of proof of purchase. Except as otherwise provided in this section, the new owner of a transferred motor vehicle has a grace period of 20 calendar days from the date of purchase to make application and pay the registration fees, fees in lieu of tax and other fees required by part 5 of this chapter, and local option taxes, if applicable, unless the fees and taxes have been paid for the year or for the 24-month period as provided in 61-3-315, as if the vehicle were being registered for the first time in that registration year. If the motor vehicle was not purchased from a licensed motor vehicle dealer as provided in this chapter, it is not a violation of this chapter or any other law for the purchaser to operate the vehicle upon the streets and highways of this state without a certificate of registration during the 20-day period, provided that at all times during that period, a vehicle purchase sticker in a form prescribed and furnished by the department, obtained from the county treasurer or a law enforcement officer as authorized by the department, reciting the date of purchase is clearly displayed in the rear window of the motor vehicle. Registration and license fees collected under 61-3-321 are not required to be paid when a license plate is transferred under 61-3-335 and this section. Failure to make application within the time provided in this section subjects the purchaser to a penalty of \$10. The penalty must be collected by the county treasurer at the time of registration and is in addition to the fees otherwise provided by law. The penalty must be deposited in the state general fund.

History: En. Sec. 3, Ch. 127, L. 1969; amd. Sec. 7, Ch. 138, L. 1971; amd. Sec. 1, Ch. 187, L. 1974; amd. Sec. 4, Ch. 243, L. 1977; amd. Sec. 4, Ch. 399, L. 1977; R.C.M. 1947, 53-147; amd. Sec. 32, Ch. 421, L. 1979; amd. Sec. 8, Ch. 712, L. 1979; amd. Sec. 24, Ch. 614, L. 1981; amd. Sec. 13, Ch. 503, L. 1985; amd. Sec. 1, Ch. 529, L. 1985; amd. Sec. 28, Ch. 515, L. 1999; amd. Sec. 17, Ch. 13, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 13 inserted last sentence relating to deposit in the state general fund. Amendment effective August 16, 2002.

Retroactive Applicability: Section 36(3), Ch. 13, Sp. L. August 2002, provided: "(3) [Sections 1, 2, 5, 8, 12, 17, 19, 22, 23, and 25 through 30] apply retroactively, within the meaning of 1-2-109, to July 1, 2002."

61-3-321. Registration fees of vehicles — certain vehicles exempt from license or registration fees — disposition of fees. (1) Registration or license fees must be paid upon registration or reregistration of motor vehicles, trailers, and semitrailers, in accordance with this chapter, as follows:

- (a) light vehicles under 2,850 pounds, \$13.75;
- (b) trailers with a declared weight of less than 2,500 pounds and semitrailers, \$8.25;
- (c) motor vehicles registered pursuant to 61-3-411 that are:
 - (i) over 2,850 pounds, \$10; and
 - (ii) under 2,850 pounds, \$5;
- (d) off-highway vehicles registered pursuant to 23-2-817, \$9;
- (e) light vehicles over 2,850 pounds, trucks and buses less than 1 ton, and heavy trucks in excess of 1 ton, \$18.75;
- (f) logging trucks less than 1 ton, \$23.75;
- (g) motor homes, \$22.25;
- (h) motorcycles and quadricycles, \$9.75;
- (i) trailers and semitrailers between 2,500 and 6,000 pounds, \$11.25;
- (j) trailers and semitrailers in excess of 6,000 pounds, other than trailers and semitrailers registered in other jurisdictions and registered through a proportional registration agreement, \$16.25;
- (k) travel trailers, \$11.75; and
- (l) recreational vehicles, \$3.50.

(2) If a motor vehicle, trailer, or semitrailer is originally registered 6 months after the time of registration as set by law, the registration or license fee for the remainder of the year is one-half of the regular fee.

(3) An additional fee of \$5 must be collected for the registration of each motorcycle as a safety fee and must be deposited in the state motorcycle safety account provided for in 20-25-1002.

(4) A fee of \$2 for each set of new number plates must be collected when number plates provided for under 61-3-332(2) are issued.

(5) The provisions of this part with respect to the payment of registration fees do not apply to and are not binding upon motor vehicles, trailers, semitrailers, or tractors owned or controlled by the United States of America or any state, county, city, or special district, as defined in 18-8-202.

(6) (a) Except as provided in 61-3-562 and subsection (6)(b) of this section, a fee of 25 cents a year for each registration of a vehicle must be collected when a vehicle is registered or reregistered. The revenue derived from this fee must be forwarded by the county treasurer for deposit in the general fund for transfer to the credit of the senior citizens and persons with disabilities transportation services account provided for in 7-14-112.

(b) The following vehicles are not subject to the fee imposed in subsection (6)(a):

(i) trailers and semitrailers registered in other jurisdictions and registered through a proportional registration agreement; and

(ii) travel trailers, recreational vehicles, and off-highway vehicles registered pursuant to 23-2-817.

(7) The provisions of this section relating to the payment of registration fees or new number plate fees do not apply when number plates are transferred to a replacement vehicle under 61-3-317, 61-3-332, or 61-3-335.

(8) A person qualifying under 61-3-332(10)(d) is exempt from the fees required under this section.

(9) Except as otherwise provided in this section, revenue collected under this section must be deposited in the state general fund.

History: (1) thru (4), (6), (7)En. Sec. 6, Ch. 75, L. 1917; amd. Sec. 2, Ch. 207, L. 1919; amd. Sec. 1, Ch. 199, L. 1921; re-en. Sec. 1760, R.C.M. 1921; amd. Sec. 1, Ch. 107, L. 1923; amd. Sec. 1, Ch. 88, L. 1927; amd. Sec. 1, Ch. 182, L. 1929; amd. Sec. 1, Ch. 103, L. 1933; amd. Sec. 1, Ch. 38, Ex. L. 1933; re-en. Sec. 1760, R.C.M. 1935; amd. Sec. 1, Ch. 138, L. 1937; amd. Sec. 1, Ch. 125, L. 1939; amd. Sec. 2, Ch. 154, L. 1943; amd. Sec. 2, Ch. 200, L. 1945; amd. Sec. 1, Ch. 201, L. 1945; amd. Sec. 1, Ch. 221, L. 1951; amd. Sec. 1, Ch. 215, L. 1953; amd. Sec. 1, Ch. 41, L. 1955; amd. Sec. 228, Ch. 147, L. 1963; amd. Sec. 1, Ch. 178, L. 1963; amd. Sec. 30, Ch. 121, L. 1965; amd. Sec. 12-105, Ch. 197, L. 1965; amd. Sec. 4, Ch. 226, L. 1971; amd. Sec. 2, Ch. 243, L. 1977; Sec. 53-122, R.C.M. 1947; (5)En. Sec. 3, Ch. 75, L. 1917; re-en. Sec. 1757, R.C.M. 1921; amd. Sec. 2, Ch. 158, L. 1933; re-en. Sec. 1757, R.C.M. 1935; amd. Sec. 1, Ch. 6, L. 1941; amd. Sec. 3, Ch. 88, L. 1943; amd. Sec. 1, Ch. 111, L. 1951; amd. Sec. 1, Ch. 29, L. 1953; amd. Sec. 1, Ch. 245, L. 1955; amd. Sec. 1, Ch. 236, L. 1957; amd. Sec. 1, Ch. 245, L. 1959; amd. Sec. 1, Ch. 245, L. 1965; amd. Sec. 1, Ch. 41, L. 1967; amd. Sec. 5, Ch. 127, L. 1969; amd. Sec. 1, Ch. 226, L. 1971; amd. Sec. 1, Ch. 41, L. 1975; amd. Sec. 1, Ch. 390, L. 1975; amd. Sec. 1, Ch. 243, L. 1977; amd. Sec. 3, Ch. 492, L. 1977; Sec. 53-106, R.C.M. 1947; R.C.M. 1947, 53-106(part), 53-122(part); amd. Sec. 33, Ch. 421, L. 1979; amd. Sec. 7, Ch. 508, L. 1979; amd. Sec. 2, Ch. 654, L. 1979; amd. Sec. 1, Ch. 277, L. 1983; amd. Sec. 18, Ch. 516, L. 1985; amd. Sec. 4, Ch. 378, L. 1987; amd. Sec. 10, Ch. 398, L. 1989; amd. Sec. 8, Ch. 535, L. 1989; amd. Sec. 2, Ch. 627, L. 1989; amd. Sec. 2, Ch. 654, L. 1989; amd. Secs. 3, 5, Ch. 567, L. 1991; amd. Sec. 2, Ch. 735, L. 1991; amd. Sec. 7, Ch. 575, L. 1993; amd. Sec. 1, Ch. 81, L. 1995; amd. Sec. 4, Ch. 88, L. 1995; amd. Sec. 1, Ch. 72, L. 1997; amd. Sec. 37, Ch. 532, L. 1997; amd. Sec. 1, Ch. 79, L. 1999; amd. Sec. 25, Ch. 257, L. 2001; amd. Sec. 163, Ch. 574, L. 2001; amd. Sec. 18, Ch. 13, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 13 in (1)(j) inserted clause relating to trailers and semitrailers registered in other jurisdictions; and made minor changes in style. Amendment effective August 16, 2002.

Retroactive Applicability: Section 36(2), Ch. 13, Sp. L. August 2002, provided: "(2) [Sections 3, 4, 7, 15, 16, 18, 20, 21, and 34] apply retroactively, within the meaning of 1-2-109, to July 1, 2001."

61-3-537. Local option vehicle tax. (1) A county may impose a local vehicle tax on vehicles subject to the registration fee imposed under 61-3-560 through 61-3-562 at a rate of up to 0.7% of the value determined under 61-3-503 or a local flat fee, in addition to the fee imposed under 61-3-560 through 61-3-562.

(2) A local vehicle tax or flat fee is payable at the same time and in the same manner as the fee imposed under 61-3-560 through 61-3-562. The tax or fee is distributed as follows:

- (a) 50% to the county; and
- (b) the remaining 50% to the county and the incorporated cities and towns within the county, apportioned on the basis of population. The distribution to a city or town is determined by multiplying the amount of money available by the ratio of the population of the city or town to the total county population. The distribution to the county is determined by multiplying the amount of money available by the ratio of the population of unincorporated areas within the county to the total county population.

(3) The governing body of a county may impose, revise, or revoke a local vehicle tax or flat fee if the imposition, revision, or revocation of the tax or fee is approved by the electorate of the county. The imposition, revision, or revocation of the tax or fee is effective on January 1 following its approval by the electorate. The county governing body by resolution may provide for the distribution of the local vehicle tax or flat fee.

History: En. Sec. 36, Ch. 611, L. 1987; amd. Sec. 2, Ch. 749, L. 1991; amd. Sec. 1, Ch. 217, L. 1995; amd. Sec. 31, Ch. 496, L. 1997; amd. Sec. 4, Ch. 180, L. 1999; amd. Sec. 37, Ch. 515, L. 1999; amd. Sec. 16(3), Ch. 11, Sp. L. May 2000; amd. Sec. 16, Ch. 191, L. 2001; amd. Sec. 19, Ch. 13, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 13 in (2) in second sentence substituted "The tax or fee is distributed" for "The first priority of the local vehicle tax or flat fee is for district court funding, and the tax or fee is distributed". Amendment effective August 16, 2002.

Termination Provision Repealed: Section 34, Ch. 13, Sp. L. August 2002, repealed sec. 4, Ch. 749, L. 1991, sec. 1, Ch. 217, L. 1993, and secs. 2 and 3, Ch. 217, L. 1995, which terminated the 1991 amendments to this section July 1, 2005. Amendment effective August 16, 2002.

Retroactive Applicability: Section 36(3), Ch. 13, Sp. L. August 2002, provided: "(3) [Sections 1, 2, 5, 8, 12, 17, 19, 22, 23, and 25 through 30] apply retroactively, within the meaning of 1-2-109, to July 1, 2002."

61-3-562. Permanent registration — transfer of vehicle ownership — rules.

(1) (a) The owner of a light vehicle 11 years old or older subject to the registration fee, as provided in 61-3-561, may permanently register the vehicle upon payment of a \$50 registration fee, the applicable registration and license fees under 61-3-321, and an amount equal to five times the applicable fees imposed for each of the following:

- (i) junk vehicle disposal fees under 15-1-122(3)(a);
- (ii) weed control fees under 15-1-122(3)(b);
- (iii) the former county motor vehicle computer fees under 61-3-511;
- (iv) the local option vehicle tax or flat fee on vehicles under 61-3-537;
- (v) if applicable, license plate fees under 61-3-332 and renewal fees for personalized plates under 61-3-406;
- (vi) if applicable, the amateur radio operator license plate fee under 61-3-422;
- (vii) if applicable, the annual scholarship donation fee under 61-3-465; and
- (viii) senior citizens and persons with disabilities transportation services fees as provided in 61-3-321(6).

(b) A person who permanently registers a vehicle as provided in subsection (1)(a) shall pay an additional \$2 fee at the time of registration for deposit in the state general fund. The department shall pay from the general fund an amount equal to the \$2 fee collected under this subsection (1)(b) from each motor vehicle registration to the pension trust fund for payment of supplemental benefits provided for in 19-6-709.

(2) In addition to the fees described in subsection (1), an owner of a truck with a manufacturer's rated capacity of 1 ton or less that is permanently registered shall pay five times the applicable fees imposed under 61-10-201.

(3) The owner of a vehicle that is permanently registered under this section is not subject to additional fees under 61-3-561 or to other motor vehicle registration fees described in this section for as long as the owner owns the vehicle.

(4) The county treasurer shall:

- (a) distribute the \$50 registration fee collected under this section as provided in 61-3-509;
- (b) once each month, remit to the department of revenue the amounts collected under this section, other than the local option vehicle tax or flat fee, for the purposes of 61-3-321(3) and 61-10-201. The county treasurer shall retain the local option vehicle tax or flat fee.

(5) (a) The permanent registration of a vehicle allowed by this section may not be transferred to a new owner. If the vehicle is transferred to a new owner, the department shall cancel the vehicle's permanent registration.

(b) Upon transfer of a vehicle registered under this section to a new owner, the new owner shall apply for a certificate of ownership under 61-3-201 and file an application for registration under 61-3-303. (*Subsection (1)(b) terminates on occurrence of contingency—sec. 24, Ch. 191, L. 2001.*)

History: En. Sec. 3, Ch. 515, L. 1999; amd. Sec. 18, Ch. 191, L. 2001; amd. Sec. 47, Ch. 257, L. 2001; amd. Sec. 7, Ch. 337, L. 2001; amd. Sec. 20, Ch. 13, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 13 in (4)(b) in first sentence inserted exception for the local option vehicle tax or flat fee and inserted last sentence on retention of the local option tax or flat fee. Amendment effective August 16, 2002.

Retroactive Applicability: Section 36(2), Ch. 13, Sp. L. August 2002, provided: "(2) [Sections 3, 4, 7, 15, 16, 18, 20, 21, and 34] apply retroactively, within the meaning of 1-2-109, to July 1, 2001."

CHAPTER 4 SALES AND DISTRIBUTION OF MOTOR VEHICLES

61-4-310. Single movement permit — fee — limitation — county treasurer to issue. (1) (a) A vehicle, subject to license under this title, or a mobile home may be moved unladen upon the highways of this state from a point within the state to a point of destination. The county treasurer at the point of the origin of the movement shall issue a special permit for the vehicle in lieu of fees required under 61-3-321 and part 2 of chapter 10 of this title upon application presented to the county treasurer in a form provided by the department, upon exhibiting to the county treasurer proof of ownership and evidence that the personal property taxes on the vehicle, if any are due, have been paid, and upon payment of a fee of \$5. The fee must be forwarded to the department of revenue for deposit in the state general fund. The permit is not in lieu of fees and permits required under 61-4-301 and 61-4-302.

(b) For purposes of this section, a mobile home is considered unladen when all items are removed except the equipment originally installed by the manufacturer and the personal effects of the owners.

(2) The permit is for the transit of the vehicle or mobile home only, and the vehicle or mobile home may not at the time of the transit be used for the transportation of any persons, except the driver, or any property for compensation or otherwise and is for one transit only between the points of origin and destination as set forth in the application and shown on the permit.

(3) A junk vehicle being driven or towed to a motor vehicle wrecking facility or a motor vehicle graveyard for disposal is exempt from the provisions of this section. The definitions in 75-10-501 apply to this subsection.

History: En. Sec. 1, Ch. 182, L. 1955; amd. Sec. 1, Ch. 126, L. 1965; amd. Sec. 2, Ch. 18, L. 1974; R.C.M. 1947, 53-119.1(part); amd. Sec. 1, Ch. 503, L. 1985; amd. Sec. 1, Ch. 79, L. 1993; amd. Sec. 249, Ch. 42, L. 1997; amd. Sec. 21, Ch. 13, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 13 in (1)(a) inserted third sentence relating to deposit of the fee in the state general fund. Amendment effective August 16, 2002.

Retroactive Applicability: Section 36(2), Ch. 13, Sp. L. August 2002, provided: "(2) [Sections 3, 4, 7, 15, 16, 18, 20, 21, and 34] apply retroactively, within the meaning of 1-2-109, to July 1, 2001."

61-4-311. Repealed. Sec. 34, Ch. 13, Sp. L. August 2002.

CHAPTER 10 SIZE — WEIGHT — LOAD

61-10-148. Disposition of fines and forfeited bonds. (1) Except as provided in 61-12-701 and subsection (2) of this section, all the money collected as fines and forfeited bonds for violations of Title 61, chapter 10, must be remitted monthly by the county treasurer to the

department of revenue, as provided in 15-1-504, for deposit in the state general fund. This subsection does not apply to fines and forfeited bonds paid to justices' courts.

(2) If the apprehension or arrest was for a violation of Title 61, chapter 10, and if the offense occurred on a road or highway not included under the provisions of 60-2-128 and 60-2-203, all money collected as fines and forfeited bonds must be deposited in the state general fund.

History: En. Sec. 1, Ch. 10, Ch. 72, L. 1913; re-en. Sec. 1, Ch. 10, Ch. 141, L. 1915; re-en. Sec. 1752, R.C.M. 1921; re-en. Sec. 1752, R.C.M. 1935; amd. Sec. 12, Ch. 226, L. 1965; amd. Sec. 11, Ch. 214, L. 1969; R.C.M. 1947, 32-1131; amd. Sec. 80, Ch. 421, L. 1979; amd. Sec. 1, Ch. 277, L. 1983; amd. Sec. 2, Ch. 601, L. 1983; amd. Sec. 2, Ch. 316, L. 1987; amd. Secs. 39, 66, Ch. 557, L. 1987; amd. Sec. 18, Ch. 87, L. 1993; amd. Sec. 59, Ch. 509, L. 1995; amd. Sec. 23, Ch. 389, L. 1999; amd. Sec. 32, Ch. 257, L. 2001; amd. Sec. 180, Ch. 574, L. 2001; amd. Sec. 22, Ch. 13, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 13 in (2) at end substituted "deposited in the state general fund" for "distributed to the county treasurer for deposit in the county road fund". Amendment effective August 16, 2002.

Retroactive Applicability: Section 36(3), Ch. 13, Sp. L. August 2002, provided: "(3) [Sections 1, 2, 5, 8, 12, 17, 19, 22, 23, and 25 through 30] apply retroactively, within the meaning of 1-2-109, to July 1, 2002."

CHAPTER 12 MISCELLANEOUS PROVISIONS

61-12-701. Disposition of fines and forfeitures. All fines and forfeitures collected in any court, except a justice's court, for violation of the laws and regulations relating to the use of state highways and the operation of vehicles on state highways, if the apprehension or arrest was by a highway patrol officer, must be paid to the department of revenue for credit to the state general fund or, if the apprehension or arrest was by a sheriff or deputy sheriff, must be paid to the county treasurer for deposit in the county general fund, except for that portion of the fines otherwise allocated by law, which must be paid into the appropriate accounts in the state special revenue fund.

History: En. Sec. 14, Ch. 199, L. 1943; amd. Sec. 10, Ch. 226, L. 1965; amd. Sec. 9, Ch. 214, L. 1969; R.C.M. 1947, 31-114; amd. Sec. 94, Ch. 421, L. 1979; amd. Sec. 1, Ch. 277, L. 1983; amd. Sec. 1, Ch. 327, L. 1985; amd. Sec. 1, Ch. 316, L. 1987; amd. Sec. 41, Ch. 557, L. 1987; amd. Sec. 1, Ch. 217, L. 1989; amd. Sec. 34, Ch. 257, L. 2001; amd. Sec. 23, Ch. 13, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 13 at beginning deleted "Except as provided in 61-10-148(2)"; and made minor changes in style. Amendment effective August 16, 2002.

Retroactive Applicability: Section 36(3), Ch. 13, Sp. L. August 2002, provided: "(3) [Sections 1, 2, 5, 8, 12, 17, 19, 22, 23, and 25 through 30] apply retroactively, within the meaning of 1-2-109, to July 1, 2002."

TITLE 69 PUBLIC UTILITIES AND CARRIERS

CHAPTER 3 REGULATION OF UTILITIES

69-3-859. Interim universal access program — services provided at discounts — reimbursements. (1) Telecommunications carriers shall provide advanced services to eligible users at specified discounts. The amount of the discount must be reimbursed to the provider from available funds in the interim universal access account established in 69-3-861.

(2) Except as provided in subsection (3), the advanced discount is equal to 50% of the best cost rate available to any business customer for an equivalent of one 56 kbps dedicated circuit to the nearest access point for the requested service. However, the cost to the eligible user may not exceed \$100 a month.

(3) If funds from the interim universal access account are not sufficient to fully reimburse for discounts authorized in subsection (2), the amount of the discounts to each eligible user must be reduced proportionally.

(4) Even if best cost rates available to any business customer increase by more than 5%, the amount payable by an eligible user may not increase by more than 5% during the period from April 22, 1997, to January 1, 2000.

(5) Subject to restrictions in federal law, if interstate universal access services are established by the federal communications commission, federal funding for universal access services must be used to reduce state funding for intrastate services.

History: En. Sec. 24, Ch. 349, L. 1997; amd. Sec. 1, Ch. 17, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 17 in (1) near middle of second sentence inserted "available funds in". Amendment effective August 20, 2002.

69-3-861. Interim universal access program — account. An interim universal access account is established in the state special revenue fund in the state treasury. All money received by the department of revenue pursuant to the surcharge that was in effect during the fiscal year ending June 30, 1999, must be paid to the state treasurer for deposit in the account. After payment of refunds, the balance of the account on August 20, 2002, must be transferred as follows:

(1) 90% to the state special revenue fund to the credit of the department of public health and human services for the use of the department in providing social services; and

(2) 10% to the general fund.

History: En. Sec. 26, Ch. 349, L. 1997; amd. Sec. 39, Ch. 426, L. 1999; amd. Sec. 2, Ch. 17, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 17 in introductory clause substituted "on August 20, 2002, must be transferred as follows" for "must be used for the purposes described in 69-3-859"; inserted (1) regarding use of money in providing social services; and inserted (2) providing for transfer to general fund. Amendment effective August 20, 2002.

TITLE 75 ENVIRONMENTAL PROTECTION

CHAPTER 10 WASTE AND LITTER CONTROL

75-10-743. (Temporary) Orphan share state special revenue account — reimbursement of claims — payment of department costs. (1) There is an orphan share account in the state special revenue fund established in 17-2-102 that is to be administered by the department. Money in the account is available to the department by appropriation and must be used to reimburse remedial action costs claimed pursuant to 75-10-742 through 75-10-752 and to pay costs incurred by the department in defending the orphan share.

(2) There must be deposited in the orphan share account:

(a) all penalties assessed pursuant to 75-10-750(12);

(b) funds received from the interest income of the resource indemnity trust fund pursuant to 15-38-202;

(c) funds allocated from the resource indemnity and ground water assessment tax proceeds provided for in 15-38-106;

(d) unencumbered funds remaining in the abandoned mines state special revenue account;

(e) interest income on the account;

(f) funds received from settlements pursuant to 75-10-719(7); and

(g) funds received from reimbursement of the department's orphan share defense costs pursuant to subsection (6).

(3) If the orphan share fund contains sufficient money, valid claims must be reimbursed subsequently in the order in which they were received by the department. If the orphan share fund does not contain sufficient money to reimburse claims for completed remedial actions, a reimbursement may not be made and the orphan share fund, the department, and the state are not liable for making any reimbursement for the costs. The department and the state are not

liable for any penalties if the orphan share fund does not contain sufficient money to reimburse claims, and interest may not accrue on outstanding claims.

(4) Except as provided in subsection (8), claims may not be submitted and remedial action costs may not be reimbursed from the orphan share fund until all remedial actions, except for operation and maintenance, are completed at a facility.

(5) Reimbursement from the orphan share fund must be limited to actual documented remedial action costs incurred after the date of petition provided in 75-10-745. Reimbursement may not be made for attorney fees, legal costs, or operation and maintenance costs.

(6) (a) The department's costs incurred in defending the orphan share must be paid by the persons participating in the allocation under 75-10-742 through 75-10-752 in proportion to their allocated shares. The orphan share fund is responsible for a portion of the department's costs incurred in defending the orphan share in proportion to the orphan share's allocated share, as follows:

(i) If sufficient funds are available in the orphan share fund, the orphan share fund must pay the department's costs incurred in defending the orphan share in proportion to the share of liability allocated to the orphan share.

(ii) If sufficient funds are not available in the orphan share fund, persons participating in the allocation under 75-10-742 through 75-10-752 shall pay all the orphan share's allocated share of the department's costs incurred in defending the orphan share in proportion to each person's allocated share of liability.

(b) A person who pays the orphan share's proportional share of costs has a claim against the orphan share fund and must be reimbursed as provided in subsection (3).

(7) (a) On August 21, 2002, \$1,000 is transferred from the orphan share fund to the general fund. If sufficient money remains in the orphan share fund on June 29, 2003, \$999,000 must be transferred to the general fund.

(b) If any money remains in the orphan share fund after June 30, 2005, and after outstanding claims are paid, the money must be deposited in the general fund.

(8) If the lead liable person under 75-10-746 presents evidence to the department that the person cannot complete the remedial actions without partial reimbursement and that a delay in reimbursement will cause undue financial hardship on the person, the department may allow the submission of claims and may reimburse the claims prior to the completion of all remedial actions. A person is not eligible for early reimbursement unless the person is in substantial compliance with all department-approved remedial action plans.

(9) A person participating in the allocation process who received funds under the mixed funding pilot program provided for in sections 14 through 20, Chapter 584, Laws of 1995, may not claim or receive reimbursement from the orphan share fund for the amount of funds received under the mixed funding pilot program that are later attributed to the orphan share under the allocation process. (*Terminates June 30, 2005—sec. 30, Ch. 415, L. 1997.*)

History: En. Sec. 13, Ch. 415, L. 1997; amd. Sec. 95, Ch. 51, L. 1999; amd. Sec. 6, Ch. 460, L. 2001; amd. Sec. 7, Ch. 20, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 20 inserted (7)(a) concerning transfer from orphan share fund to general fund; and made minor changes in style. Amendment effective August 21, 2002.

TITLE 80 AGRICULTURE

CHAPTER 2 AGRICULTURAL SERVICES

80-2-230. Collection of fees — release of lien. (1) The department of revenue shall collect all fees imposed under this part. The department of revenue shall deposit the money with the state treasurer. The department of revenue shall use due diligence in making the collections of the fees provided in this part.

(2) All insurance fees, whether imposed against land or in the form of special assessments secured by crop liens, are payable in full and not in semiannual payments on or before November 30 of each year in which the fees are imposed.

(3) When the amount due on any hail insurance secured by a crop lien is paid, the department of revenue shall promptly endorse on the lien on file in the office of the county clerk and recorder the amount paid with the date of payment. The endorsement is considered a satisfaction and release of the lien.

(4) The penalty and interest provisions of 15-1-216 apply to late payments of fees imposed under this part.

History: (1), (3)En. Sec. 3, Ch. 169, L. 1917; amd. Sec. 4, Ch. 34, L. 1919; re-en. Sec. 354, R.C.M. 1921; amd. Sec. 6, Ch. 40, L. 1923; re-en. Sec. 354, R.C.M. 1935; amd. Sec. 2, Ch. 37, L. 1943; Sec. 82-1509, R.C.M. 1947; (2)En. Sec. 2, Ch. 169, L. 1917; amd. Sec. 1, Ch. 34, L. 1919; amd. Sec. 2, Ch. 141, L. 1921; re-en. Sec. 351, R.C.M. 1921; amd. Sec. 4, Ch. 40, L. 1923; amd. Sec. 1, Ch. 54, L. 1931; re-en. Sec. 351, R.C.M. 1935; amd. Sec. 2, Ch. 33, L. 1949; amd. Sec. 2, Ch. 200, L. 1953; amd. Sec. 59, Ch. 391, L. 1973; amd. Sec. 2, Ch. 154, L. 1975; amd. Sec. 32, Ch. 13, L. 1977; Sec. 82-1506, R.C.M. 1947; R.C.M. 1947, 82-1506(part), 82-1509(part); amd. Sec. 41, Ch. 257, L. 2001; amd. Sec. 217, Ch. 574, L. 2001; amd. Sec. 24, Ch. 13, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 13 inserted (4) relating to penalty and interest. Amendment effective August 16, 2002.

CHAPTER 7 DISEASE, PEST, AND WEED CONTROL

80-7-823. Transfer of funds. (1) There is transferred \$100,000 annually from the highway nonrestricted account, provided for in 15-70-125, to the noxious weed state special revenue account, provided for in 80-7-816, for the purposes provided in 80-7-705.

(2) There is a one-time transfer in fiscal year 2003 of up to \$300,000 from the resource indemnity trust fund, as provided in 15-38-202, from the first money paid into the resource indemnity trust fund that exceeds \$100 million for the purposes provided in 80-7-705.

History: En. Sec. 2, Ch. 407, L. 2001; amd. Sec. 8, Ch. 20, Sp. L. August 2002.

Compiler's Comments

2002 Amendment: Chapter 20 in (2) reduced amount from \$500,000 to \$300,000. Amendment effective August 21, 2002.

TITLE 90 PLANNING, RESEARCH, AND DEVELOPMENT

CHAPTER 1 DEVELOPMENT COORDINATION

90-1-108. Repealed. Sec. 34, Ch. 13, Sp. L. August 2002.

HISTORY AND FINAL STATUS
LAWS OF THE STATE OF MONTANA (SESSION LAWS)
SESSION LAWS AFFECTED TABLE

SEPTEMBER 2002 SPECIAL SESSION

HISTORY AND FINAL STATUS OF BILLS

HB 1

INTRODUCED BY LEWIS

LC0001 DRAFTER: PETESCH

AMEND CHAPTER 23, SPECIAL LAWS OF AUGUST 2002 FOR THE SOLE PURPOSE OF
INSERTING AN IMMEDIATE EFFECTIVE DATE; AND PROVIDING AN IMMEDIATE
EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE

9/06 INTRODUCED

9/06 REFERRED TO APPROPRIATIONS

9/13 HEARING

9/13 COMMITTEE EXECUTIVE ACTION—BILL PASSED 16 0

9/13 COMMITTEE REPORT—BILL PASSED

9/13 2ND READING PASSED 87 11

9/13 3RD READING PASSED 83 10

TRANSMITTED TO SENATE

9/13 REFERRED TO FINANCE

9/13 HEARING

9/13 COMMITTEE EXECUTIVE ACTION—BILL CONCURRED 18 0

9/13 COMMITTEE REPORT—BILL CONCURRED

9/13 2ND READING CONCURRED ON VOICE VOTE 44 2

9/13 3RD READING CONCURRED 45 1

RETURNED TO HOUSE

9/13 SENT TO ENROLLING

9/13 RETURNED FROM ENROLLING

9/13 SIGNED BY SPEAKER

9/13 SIGNED BY PRESIDENT

9/13 TRANSMITTED TO GOVERNOR

9/13 SIGNED BY GOVERNOR

9/13 CHAPTER NUMBER ASSIGNED

CHAPTER NUMBER 1

EFFECTIVE DATE: 9/13/2002 - ALL SECTIONS

LAWS OF MONTANA
(SESSION LAWS)

Explanatory Note: Section 5-11-205, MCA, provides that new parts of existing statutes be printed in italics and that deleted provisions be shown as stricken.

CHAPTER NO. 1
[HB 1]

AN ACT AMENDING CHAPTER 23, SPECIAL LAWS OF AUGUST 2002, FOR THE SOLE PURPOSE OF INSERTING AN IMMEDIATE EFFECTIVE DATE; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE.

Be it enacted by the Legislature of the State of Montana:

Section 1. Chapter 23, Special Laws of August 2002, is amended to read:

“Section 1. Chapter 572, Laws of 2001, is amended to read:

“Section 1. Short title. [This act] may be cited as “The General Appropriations Act of 2001”.

Section 2. First level expenditures. The agency and program appropriation tables in the legislative fiscal analyst narrative accompanying Chapter 572, Laws of 2001, showing first

level expenditures and changes in [this act] to funding for the 2003 biennium, are adopted as legislative intent.

Section 3. Severability. If any section, subsection, sentence, clause, or phrase of [this act] is for any reason held unconstitutional, the decision does not affect the validity of the remaining portions of [this act].

Section 4. Appropriation control. An appropriation item designated as "Biennial" may be spent in either year of the biennium. An appropriation item designated "Restricted" may be used during the biennium only for the purpose designated by its title and as presented to the legislature. An appropriation item designated "One Time Only" or "OTO" may not be included in the present law base for the 2005 biennium. The office of budget and program planning shall establish a separate appropriation on the statewide budgeting and accounting system for any item designated as "Biennial", "Restricted", "One Time Only", or "OTO". The office of budget and program planning shall establish at least one appropriation on the statewide budgeting and accounting system for any appropriation that appears as a separate line item in [this act].

Section 5. Program definition. As used in [this act], "program" has the same meaning as defined in 17-7-102, is consistent with the management and accountability structure established on the statewide budgeting and accounting system, and is identified as a major subdivision of an agency ordinally numbered with an arabic numeral.

Section 6. Personal services funding — 2005 biennium. (1) Except as provided in subsection (2), present law and new proposal funding budget requests for the 2005 biennium submitted under Title 17, chapter 7, part 1, by each executive, judicial, and legislative branch agency must include funding of first level personal services separate from funding of other expenditures. The funding of first level personal services by accounting entity or equivalent for each fiscal year must be shown at the fourth reporting level or equivalent in the budget request for the 2005 biennium submitted by October 30 to the legislative fiscal analyst by the office of budget and program planning.

(2) The provisions of subsection (1) do not apply to the Montana university system.

Section 7. Personal services line item. Funds appropriated for personal services or indicated in legislative intent as having been appropriated for personal services may not be expended under any other category except for contract services (expenditure account 62102) or for the early return to work program. Any transfer of funds from personal services to contract services is to be used to directly substitute for use of personal services. Any transfer for either contract services or for the early return to work program must be reported in writing to the legislative finance committee. The provisions of this section do not apply to the Montana university system or to the disability services division in the department of public health and human services for the purposes of adjusting the disabled population between institution and residential settings.

Section 8. Vacancy savings analysis. The legislature is concerned about the use of the concept of vacancy savings in establishing funding for personal services. It is the intent of the legislature that an analysis of vacancy savings be completed prior to the 2003 legislative session to include the consideration of alternative options for funding of personal services at an appropriate level. The legislative finance committee is requested to include this analysis as part of the House Bill No. 613 personal services study if House Bill No. 613 is passed and approved or to include the analysis in the committee work plan for the legislative fiscal division. The legislative finance committee is encouraged to work cooperatively with the governor's budget director in completing this analysis.

Section 9. FTE reduction. The number of FTE has been reduced for all positions in the executive branch (excluding the university system) that have been identified by the legislature as vacant for over 7 months and that are not seasonal, already filled, or newly classified. The reduction is inclusive in the number of FTE shown in the agency and program tables in the legislative fiscal analyst narrative accompanying this bill. The eliminated positions are not to be funded in the present law base budget submitted by the governor for the 2005 biennium. The Legislative Fiscal Division Fiscal Report shall include a table listing the position numbers of the FTE that are eliminated. The number of FTE eliminated by agency is as follows:

Department of Transportation	49.27
Department of Revenue	2.03
Department of Administration	4.84
Department of Public Health and Human Services	9.26
Department of Fish, Wildlife, and Parks	5.02
Department of Environmental Quality	7.75
Department of Livestock	1.00
Department of Natural Resources and Conservation	9.27
Department of Agriculture	1.00
Department of Commerce	2.00
Department of Justice	4.00
Department of Public Service Regulation	0.50
Department of Corrections	0.65
Department of Labor and Industry	7.25
Office of Public Instruction	1.00

Section 10. Goals, benchmarks, and objectives. Each department, the Montana university system, and, when appropriate, each division of each department shall place their respective specific and measurable goals, benchmarks, and objectives for each year of the 2003 biennium on their respective internet websites or, when appropriate, on the state's internet website. On July 1, 2001, and again on July 1, 2002, each department and the Montana university system shall report progress on the appropriate website in meeting the goals, benchmarks, and objectives and what changes, if any, were made to ensure that those goals, benchmarks, and objectives are attained. On October 1, 2002, each department and the Montana university system shall report to the legislative finance committee and on their respective websites their revised goals, benchmarks, and objectives to reflect specific actions taken and changes made to implement the reductions in expenditures ordered by the governor under the authority of 17-7-140 on June 28, 2002, and all budget reduction actions taken by the legislature in the August 2002 Special Session. Revised performance measures must:

(1) include a specific list of what programs, services, or procedures are being revised, reduced, or eliminated from current levels of operation because of budget reductions and the reasons for the change;

(2) clearly state which programs or services are the highest priority and should be maintained and why they are the highest priority;

(3) clearly state which programs or services are the least critical and why they are a lower priority;

(4) clearly state the criteria used to prioritize programs in view of budget reductions; and

(5) clearly state the specific management actions taken to implement these budget reductions and program or service revisions.

Section 11. Report from governor's office on energy management efforts. The governor's office, in cooperation with the commissioner of higher education, shall provide a report to the 58th legislature that details the efforts of state agencies to address energy costs. The report must include but is not limited to energy management activities of the department of environmental quality, the department of administration, and the Montana university system. The report should enumerate data, activities, and recommendations in the following areas:

(1) projected savings and other benefits from the state building energy conservation program, including building commissioning projects;

(2) potential changes to the conservation program that would encourage agency participation;

(3) other energy conservation efforts of state agencies;

(4) changes needed to encourage state agencies to conserve energy that do not require expending money on energy conservation projects;

(5) other energy conservation options and funding proposals;

(6) progress on the utility bill monitoring pilot project and potential benefits coming from the project;

(7) state government efforts to more efficiently purchase natural gas and electricity, including any plans to include more state facilities under the natural gas term contract and efforts to aggregate state agency electricity demand; and

(8) other recommendations to the legislature that would improve state government energy management efforts.

Section 12. Accruals analysis — 2005 biennium. The legislative fiscal division shall include an analysis of accruals for budget base year fiscal year 2002 and shall include a summary table and narrative in the Legislative Fiscal Division 2005 Biennium Budget Analysis that provides a listing by agency of total accruals and the amount that is recommended to be removed from the base budget.

Section 13. Energy costs reserve. A total of \$3.2 million must be set aside in the general fund for contingencies related to cost increases in electricity and natural gas expenditures by state government significantly above the amounts appropriated for this purpose in [this act] or to support litigation to secure affordable electricity or natural gas. The amount is classified as unreserved, designated general fund balance.

Section 14. Totals not appropriations. The totals shown in [this act] are for informational purposes only and are not appropriations.

Section 15. Effective date. [This act] is effective July 1, 2001.

Section 16. Appropriations. The following money is appropriated for the respective fiscal years:

	Fiscal 2002			Fiscal 2003			
	General Fund	State Special Revenue	Federal Special Revenue	General Fund	State Special Revenue	Federal Special Revenue	Total
A. GENERAL GOVERNMENT AND TRANSPORTATION							
LEGISLATIVE BRANCH (1104)							
1. Legislative Services (20)							
4,255,755	905,353	0	0	5,161,108	430,738	0	4,989,025
2. Legislative Committees and Activities (21) (Biennial)							
673,484	77,285	0	0	750,769	0	0	0
a. Health Care Access (Biennial/OTO)							
29,403	0	0	0	29,403	0	0	0
b. Northwest River Governance (Biennial/OTO)							
10,000	0	0	0	10,000	0	0	0
3. Fiscal Analysis and Review (27)							
1,041,785	0	0	0	1,041,785	0	0	1,086,461
a. Legislative Finance Committee Interim Studies (Restricted/Biennial)							
19,000	0	0	0	19,000	0	0	0
4. Audit and Examination (28)							
1,788,171	1,386,879	0	0	3,175,050	1,321,922	0	2,992,017
Total							
7,817,598	2,369,517	0	0	10,187,115	1,752,660	0	9,067,503
Item 4 includes a reduction in fiscal year 2003 of \$16,197 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The agency may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.							
Item 4 includes a reduction of \$66,667 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 66.67% reduction in the fiscal year 2003 budget for equipment expenses. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.							
Item 4 includes a reduction of \$74,722 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the legislative branch. The legislative branch may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.							
CONSUMER COUNSEL (1112)							
1. Administration Program (01)							
0	1,006,011	0	0	1,006,011	0	0	1,008,068
a. Caseload Contingency Fund (Restricted)							
0	200,000	0	0	200,000	0	0	200,000
Total							
0	1,206,011	0	0	1,206,011	0	0	1,208,068
JUDICIARY (2110)							
1. Supreme Court Operations (01)							
2,955,903	1,150,000	363,725	0	4,469,628	1,075,000	363,725	4,303,434
a. Legislative Audit (Restricted/Biennial)							
26,757	0	0	0	26,757	0	0	0
b. Court-Appointed Special Advocate Program (Biennial)							
82,182	0	100,000	0	182,182	0	0	82,182
2. Boards and Commissions (02)							
244,559	0	0	0	244,559	0	0	274,901
3. Law Library (03)							
772,001	0	0	0	772,001	0	0	776,471

Fiscal 2002						Fiscal 2003					
General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
4. District Court Operations (04)											
4,853,964	0	0	0	0	4,853,964	4,877,311	0	0	0	0	4,877,311
a. SB 282 — Asbestos Court											
190,157	0	0	0	0	190,157	186,157	0	0	0	0	186,157
b. District Court Judges for Ravalli and Cascade Counties											
0	0	0	0	0	0	273,239	0	0	0	0	273,239
c. Startup Costs for New Judgeships (OTO)											
0	0	0	0	0	0	7,898	0	0	0	0	7,898
d. State Assumption of District Courts (Restricted/Biennial)											
800,500	0	0	0	0	800,500	0	0	0	0	0	0
5. Water Courts Supervision (05)											
0	669,691	0	0	0	669,691	0	678,959	0	0	0	678,959
6. Clerk of Court (06)											
288,479	0	0	0	0	288,479	337,855	0	0	0	0	337,855
a. Equipment (OTO)											
3,500	0	0	0	0	3,500	0	0	0	0	0	0
Total											
10,218,002	1,819,691	463,725	0	0	12,501,418	9,680,723	1,753,959	363,725	0	0	11,798,407
Item 1 includes a reduction in fiscal year 2003 of \$12,178 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The agency may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.											
Item 1 includes a reduction of \$96,367 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the judiciary. The judiciary may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.											
Item 4a contains general fund money for an asbestos court. If federal funds are received for the purpose of funding a court to manage asbestos cases, the general fund appropriation in item 4a is reduced by a like amount.											
Item 4b is contingent upon passage and approval of House Bill No. 214.											
Item 4d is contingent upon passage and approval of House Bill No. 124.											
MONTANA CHIROPRACTIC LEGAL PANEL (2115)											
1. Legal Panel Operations (01)											
0	15,000	0	0	0	15,000	0	15,000	0	0	0	15,000
Total											
0	15,000	0	0	0	15,000	0	15,000	0	0	0	15,000
GOVERNOR'S OFFICE (3101)											
1. Executive Office Program (01)											
1,234,434	286,634	29,605	0	0	1,550,673	1,174,331	287,333	30,104	0	0	1,491,768
a. Legislative Audit (Restricted/Biennial)											
24,325	0	0	0	0	24,325	0	0	0	0	0	0
b. Extradition and Transportation of Prisoners											
177,724	0	0	0	0	177,724	178,936	0	0	0	0	178,936
c. Consensus Council Matching Funds for Grants (Biennial/OTO)											
75,000	0	0	0	0	75,000	37,500	0	0	0	0	37,500
d. Flathead Basin Commission — Flathead Valley Ground Water Quality Assessment (OTO)											
0	0	99,992	0	0	99,992	0	0	0	0	0	0

	Fiscal 2002			Fiscal 2003		
	General Fund	State Special Revenue	Federal Special Revenue	General Fund	State Special Revenue	Federal Special Revenue
e. Office of Economic Development	850,000	0	0	850,000	0	0
2. Mansion Maintenance Program (02)	78,882	0	0	78,882	0	0
3. Air Transportation Program (03)	175,409	16,000	0	191,409	16,000	0
4. Office of Budget and Program Planning (04)	1,087,033	0	0	1,087,033	0	0
a. Legislative Audit (Restricted/Biennial)	22,865	0	0	22,865	0	0
b. Video Projector and Computer (OTO)	5,600	0	0	5,600	0	0
c. Energy Cost Contingency Account (Restricted/Biennial/OTO)	0	868,751	387,533	0	0	0
5. Indian Affairs (05)	112,204	0	0	112,583	0	0
a. Carryover Funds (Restricted)	0	150,000	2,000,000	0	0	0
6. Lieutenant Governor (12)	223,314	0	0	224,893	0	0
7. Citizens' Advocate Office (16)	65,274	0	15,000	65,483	0	15,000
8. Mental Disabilities Board of Visitors (20)	200,579	7,200	0	197,572	7,200	0
Total	4,332,643	1,328,585	2,532,130	8,193,358	4,178,085	310,533
General fund money up to \$51,000 for the 2003 biennium in item 1b not used for the extradition and transportation of prisoners may be used to purchase vans for county sheriffs and peace officers to transport prisoners.			0	0	45,104	0

The legislature recognizes that the cost for extradition and transportation of prisoners is dependent upon factors beyond the control of the agency and may exceed the appropriation provided. In that event, the agency will need to request a supplemental appropriation from the 2003 legislature to provide required extradition and transportation of prisoners.

Item 1 includes a reduction in fiscal year 2003 of \$19,955 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The governor's office may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.

Item 1 includes a reduction of \$42,777 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the governor's office. The governor's office may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 1b and the accompanying language are contingent upon passage and approval of Senate Bill No. 328.

If Senate Bill No. 445 is not passed and approved, the appropriation in item 1e is void and the appropriation in item 4c is increased by \$1,700,000 in general fund money in fiscal year 2002.

Item 4c is a contingency biennial account to be managed by the office of budget and program planning to respond to contingencies related to cost increases in electricity and natural gas expenditures by state government significantly above the amounts appropriated in [this act]. Requests for use of this account must be analyzed by the office of budget and program planning and approved by the governor. Distribution of this money to state agencies must be proportional to the overall needs of state agencies relative to the total funds available. Approved expenditures must be reported to the legislative finance committee.

Item 5a is contingent upon passage and approval of House Bill No. 21. Funds in item 5a for the 2003 biennium are limited to the unspent balance of the 2001 appropriation of up to \$150,000 in state special revenue and \$2 million in federal special revenue.

	Fiscal 2002			Fiscal 2003		
	General Fund	State Special Revenue	Federal Special Revenue	General Fund	State Special Revenue	Federal Special Revenue
1. Administration (01)						
345,738	0	0	0	345,738	0	0
a. Legislative Audit (Restricted/Biennial)						
4,865	0	0	0	4,865	0	0
Total						
350,603	0	0	0	350,603	0	0
Item 1 includes a reduction in general fund money of \$571 in fiscal year 2002 and \$571 in fiscal year 2003. This reduction is the equivalent of a 25% reduction in fiscal year 2000 base budget travel expenses.						
Item 1 includes a reduction in fiscal year 2003 of \$3,270 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002.						
Item 1 includes a reduction of \$3,469 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the office.						
OFFICE OF THE STATE AUDITOR (3401)						
1. Central Management (01)						
0	527,253	0	0	527,253	0	0
a. Legislative Audit (Restricted/Biennial)						
0	4,368	0	0	4,368	0	0
2. Insurance Program (03)						
0	2,404,683	0	0	2,404,683	0	0
a. Legislative Audit (Restricted/Biennial)						
0	19,219	0	0	19,219	0	0
b. Contract Examinations (Restricted)						
0	107,234	0	0	107,234	0	0
c. SB 373 — Licensing Captive Insurers (Restricted)						
0	20,000	0	0	20,000	0	0
d. HB 542 — Surplus Lines Fees (Restricted)						
0	52,115	0	0	52,115	0	0
3. Securities (04)						
334,571	190,212	0	0	524,783	190,269	0
a. Legislative Audit (Restricted/Biennial)						
3,689	1,844	0	0	5,533	0	0
b. Contract Examinations (Restricted)						
0	12,000	0	0	12,000	0	0
Total						
338,260	3,338,928	0	0	3,677,188	3,268,329	0

Item 2c is contingent upon passage and approval of Senate Bill No. 373.

Item 3 includes a reduction of \$9,149 in fiscal year 2002 and \$9,181 in fiscal year 2003 of general fund money. The office may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans. The office of budget and program planning shall provide a report that details reallocation to the legislative finance committee by October 15 of each fiscal year.

Item 3 includes a reduction in general fund money of \$2,890 in fiscal year 2002 and \$2,890 in fiscal year 2003. This reduction is the equivalent of a 10% reduction in fiscal year 2000 base budget travel expenses. The office may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans.

Item 3 includes a reduction in fiscal year 2003 of \$1,153 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The office of the state auditor may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.

	Fiscal 2002			Fiscal 2003			
	General Fund	State Special Revenue	Federal Special Revenue	General Fund	State Special Revenue	Federal Special Revenue	Total
Item 3 includes a reduction of \$3,369 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the office of the state auditor. The office of the state auditor may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.							
Item 3 includes a reduction in fiscal year 2003 of \$11,792 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.							
DEPARTMENT OF TRANSPORTATION (5401)							
1. General Operations Program (01)							
0 16,468,534 1,249,771	0	0	0	17,718,305	0	16,536,844	1,183,602
a. Legislative Audit (Restricted/Biennial)							
0 109,461	0	0	0	109,461	0	0	0
b. General Operations One-Time Costs (OTO)							
0 457,500	0	0	0	457,500	0	0	0
2. Construction Program (02) (Biennial)							
0 71,531,203 296,588,388	0	0	0	368,119,591	0	74,292,575	305,871,704
a. Construction Program One-Time Costs (OTO)							
0 53,000 120,000	0	0	0	173,000	0	0	0
3. Maintenance Program (03) (Biennial)							
0 75,870,412 5,090,609	0	0	0	80,961,021	0	76,230,890	5,090,609
a. Maintenance Program One-Time Costs (OTO)							
0 167,700	0	0	0	167,700	0	0	0
4. Motor Carrier Services Division (22)							
0 4,971,167	0	0	0	4,971,167	0	4,994,990	0
a. Mobile Officer Vehicle Enforcement Computers (OTO)							
0 6,200	0	0	0	6,200	0	0	0
5. Aeronautics Program (40)							
0 752,611 112,500	0	0	0	865,111	0	767,054	85,500
a. Airport Development Grants (Biennial)							
0 750,000	0	0	0	750,000	0	0	0
b. Airport Pavement Preservation Grants (Biennial)							
0 250,000	0	0	0	250,000	0	0	0
c. Federal Airport Improvement Grants (Biennial)							
0 16,667 300,000	0	0	0	316,667	0	0	0
6. Transportation Planning Division (50)							
0 2,121,160 10,719,595	0	0	0	12,840,755	0	1,934,325	13,168,607
a. Software and Field Data Collection (Biennial/OTO)							
0 60,000 240,000	0	0	0	300,000	0	0	0
b. Statewide Truck Activity Reporting System (OTO)							
0 173,212 573,068	0	0	0	746,280	0	115,323	381,544
c. Transportation of Seniors and Persons With Disabilities							
0 171,093	0	0	0	171,093	0	347,318	0
Total	0 173,929,920 314,993,931	0	0	488,923,851	0	175,419,319	325,781,566

The department may adjust appropriations in the construction, maintenance, and transportation planning programs between state special and federal special revenue fund types if the total state special revenue authority for these programs is not increased by more than 10% of the total appropriations established by the legislature for each program. All transfers between

Fiscal 2002				Fiscal 2003				Total
General Fund	State Special Revenue	Federal Special Revenue	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Other
				</				

fund types must be fully explained and justified by budget documents submitted to the office of budget and program planning, and all fund transfers of more than \$1 million in any 30-day period must be communicated to the legislative finance committee in a written report.

All federal special revenue appropriations in the department are biennial.
Item 2 includes a total of \$63,690 for the 2003 biennium for the Montana natural resources information system. Quarterly payments must be made upon receipt of the bills from the state library, up to the total amount appropriated.

All appropriations in the construction program are biennial.
All appropriations in the maintenance program are biennial.

Item 5 includes \$4,000 of state special revenue in fiscal year 2002 and \$4,000 of state special revenue in fiscal year 2003 that are contingent upon passage and approval of House Bill No. 430.

Item 5a includes \$300,000 of state special revenue in fiscal year 2002 that is contingent upon passage and approval of Senate Bill No. 280.
All appropriations in the transportation planning program are biennial.

Item 6c is contingent upon passage and approval of Senate Bill No. 448.

DEPARTMENT OF REVENUE (5801)

1. Director's Office (01)										
2,315,882	300	800	30,068	0	2,347,050	2,083,025	0	30,643	0	2,113,668
a. Legislative Audit (Restricted/Biennial)										
131,353	0	0	0	0	131,353	0	0	0	0	0
2. Information Technology (02)										
2,154,374	0	188,941	70,320	0	2,413,635	2,261,282	0	194,652	71,666	2,527,600
3. Resource Management (05)										
1,498,751	0	0	1,085,594	0	2,584,345	1,526,552	0	1,090,060	0	2,616,612
4. Customer Service and Information Practices (06)										
3,715,801	228,844	1,032,135	749,075	0	5,725,855	3,919,399	232,754	1,042,210	739,891	5,934,254
a. Unclaimed Property Auditor (OTO)										
0	43,931	0	0	0	43,931	0	44,098	0	0	44,098
5. Compliance Valuation and Resolution (08)										
17,710,137	186,096	1,079,011	0	0	18,975,244	18,461,899	186,433	1,130,535	0	19,778,867
a. Salary Upgrades for Auditors (Biennial)										
208,144	0	0	0	0	208,144	0	0	0	0	0

Liquor division proprietary funds necessary to maintain adequate inventories, pay freight charges, and transfer profit and taxes to appropriate accounts are appropriated to the department in amounts not to exceed \$64,200,950 in fiscal year 2002 and \$67,857,880 in fiscal year 2003.

Item 1 includes a reduction of \$2,200 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 66.67% reduction in the fiscal year 2003 budget for equipment expenses. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 1 includes a reduction of \$276,423 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the agency. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans

Items 1, 4, and 5 include increases totaling \$813,784 in general fund money in fiscal year 2003 to fund 13.3 FTE compliance staff and to eliminate vacancy savings associated with 6 FTE existing compliance positions.

Item 4 includes a reduction of \$558,000 in general fund money in fiscal year 2002 and \$558,000 in fiscal year 2003 and an increase in proprietary funds of \$514,100 in fiscal year 2002 and \$514,100 in fiscal year 2003. These reductions and increases are contingent upon passage and approval of House Bill No. 399.

Item 5 includes a reduction in general fund money of \$15,066 in fiscal year 2002 and \$15,066 in fiscal year 2003. This reduction is the equivalent of a 3% reduction in fiscal year 2000 base budget travel expenses. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans.

	Fiscal 2002					Fiscal 2003						
	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
0	0	0	0	345,000	0	345,000	0	0	0	0	0	0
8. State Personnel Division (23)												
1,092,389	26,600	0	0	0	0	1,118,989	1,095,102	27,400	0	0	0	1,122,502
9. State Tax Appeal Board (37)												
273,523	0	0	0	0	0	273,523	275,231	0	0	0	0	275,231
Total												
4,375,500	2,733,597	864,315	8,968,974	933,055	17,875,441	4,209,661	2,745,707	62,451	8,755,554	933,055		16,706,428
For the data network rate, all increases over a rate of \$64.59 are one time only. The executive must use \$64.59 as the base level and justify all increases requested for the 2005 biennium over this level.												

For the data network rate, all increases over a rate of \$64.59 as the base level and justify all increases requested for the 2005 biennium over this level.

Item 1 includes a reduction in fiscal year 2003 of \$11,794 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The department may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.

Item 1 includes a reduction in general fund money of \$4,122 in fiscal year 2002 and \$4,122 in fiscal year 2003. This reduction is the equivalent of an 8% reduction in fiscal year 2000 base budget travel expenses. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans.

Item 1 includes a reduction of \$4,049 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 66.67% reduction in the fiscal year 2003 budget for equipment expenses. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 1 includes a reduction of \$42,678 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the agency. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Items 1e, 1f, 1g, 6, 6a, 7, 7a, and 7b and \$1,519 of general fund money in fiscal year 2002 in item 1a are contingent upon passage and approval of Senate Bill No. 445.

The department is appropriated in each of the fiscal years 2002 and 2003 up to \$500,000 of state special revenue that is deposited in the account established for the purpose of processing charter applications and for the chartering, examination, and regulation of each foreign capital depository that obtains a charter under the provisions of 32-8-205.

The department is appropriated up to \$56,354 in state special revenue authority in each year of the biennium for operations within the telemarketing and lemon law programs and shall seek and use state special revenue received from consumer affairs' settlements as authorized by a district court order to offset and minimize use of the general fund money within the telemarketing and lemon law programs, as provided in 17-2-108.

The department shall report to the 2003 legislature on the status and results related to the purchase and placement of additional online terminals funded in item 7b.

Item 8 includes a reduction of \$21,490 in fiscal year 2002 and \$21,564 in fiscal year 2003 of general fund money. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans. The office of budget and program planning shall provide a report that details reallocation to the legislative finance committee by October 15 of each fiscal year.

APPELLATE DEFENDER COMMISSION (6102)

1. Appellate Defender (01)

0	177,534	0	0	0	177,534	176,575	0	0	0	176,575
Total										
0	177,534	0	0	0	177,534	176,575	0	0	0	176,575
Item 1 includes an increase of \$178,901 of general fund money in fiscal year 2003 and a reduction of \$178,901 of state special revenue in fiscal year 2003 that are contingent upon passage and approval of House Bill No. 124.										
Item 1 includes a reduction in fiscal year 2003 of \$537 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002.										
Item 1 includes a reduction of \$1,789 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the commission.										
TOTAL SECTION A										
55,167,048	187,377,954	321,154,988	10,904,031	933,055	575,537,076	54,472,901	186,936,860	328,620,243	10,687,814	933,055 581,650,873

Fiscal 2002						Fiscal 2003					
General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
u. Adult Basic Education (Restricted)											
0	0	195,000	0	0	195,000	0	0	195,000	0	0	195,000
v. Children's Trust Fund (Biennial)											
0	0	250,000	0	0	250,000	0	0	250,000	0	0	250,000
w. TANF Plus Performance Bonus (Restricted)											
0	0	0	0	0	0	0	0	2,276,700	0	0	2,276,700
2. Child and Family Services Division (03)											
20,339,215	1,269,954	23,954,881	0	0	45,564,050	21,541,204	1,336,670	24,109,036	0	0	46,986,910
a. Computer Hardware (OTO)											
49,800	0	33,200	0	0	83,000	123,504	0	82,336	0	0	205,840
b. Community Collaboration Project and FTE (Biennial/OTO)											
25,000	0	3,025,000	0	0	3,050,000	25,000	0	25,000	0	0	50,000
c. Big Brothers Big Sisters (OTO)											
25,000	0	0	0	0	25,000	25,000	0	0	0	0	25,000
d. In-Home Services (Restricted)											
100,000	0	0	0	0	100,000	0	0	0	0	0	0
3. Director's Office (04)											
1,134,318	1,198,077	1,726,992	0	0	4,059,387	1,141,783	1,259,907	1,732,421	0	0	4,134,111
a. Deputy Director (Restricted)											
37,000	15,750	47,250	0	0	100,000	37,000	15,750	47,250	0	0	100,000
4. Child Support Enforcement Division (05)											
225,000	2,798,222	6,242,600	0	0	9,265,822	225,000	2,812,929	6,271,998	0	0	9,309,927
a. Voice Response Unit Enhancements (OTO)											
0	10,200	19,800	0	0	30,000	0	0	0	0	0	0
b. SEARCHS — Level of Effort Increase (Biennial/OTO)											
0	209,104	405,908	0	0	615,012	0	0	0	0	0	0
c. Financial Institutions Data Match (Restricted)											
0	51,000	99,000	0	0	150,000	0	51,000	99,000	0	0	150,000
d. Cost Study — Raising a Child in Montana (Restricted/OTO)											
0	8,621	113,793	0	0	122,414	0	0	0	0	0	0
5. Health Policy and Services Division (07)											
63,683,731	7,188,743	233,165,988	0	0	304,038,462	68,017,693	7,780,885	248,236,170	0	0	324,034,748
a. Assistance to Montanans Exposed to Asbestos (Restricted/OTO)											
18,500	0	0	0	0	18,500	18,500	0	0	0	0	18,500
b. Medicaid Provider Rate Increases (RBRVS)											
252,524	0	678,614	0	0	931,138	506,681	0	1,371,305	0	0	1,877,986
c. Cardiovascular Grant											
0	0	260,902	0	0	260,902	0	0	237,768	0	0	237,768
d. Fiber Optic Rural TeleHealth Equipment (Restricted/Biennial/OTO)											
200,000	0	0	0	0	200,000	0	0	0	0	0	0
e. HIV/AIDS Treatment and Coverage (Restricted/Biennial)											
84,010	0	0	0	0	84,010	0	0	0	0	0	0
6. Quality Assurance Division (08)											
2,006,639	219,622	4,957,197	0	0	7,183,458	2,025,415	209,982	4,980,608	0	0	7,216,005

	Fiscal 2002			Fiscal 2003			
	General Fund	State Special Revenue	Federal Special Revenue	General Fund	State Special Revenue	Federal Special Revenue	Proprietary Other Total
a. Contracted Licensure Services (OTO)							
58,737	0	0	0	58,862	0	0	0 58,862
7. Operations and Technology Division (09)							
11,430,755	1,530,252	15,881,424	0	9,387,513	2,111,463	16,329,740	0 27,828,716
a. Legislative Audit (Restricted/Biennial)							
154,465	37,800	151,200	0	0	0	0	0 0
8. Disability Services Division (10)							
42,100,426	97,354	53,417,647	0	40,248,857	2,062,553	53,722,089	0 96,033,499
a. Developmental Disabilities Program Federal Funds (Biennial)							
0	0	4,000,000	0	0	0	0	0 0
b. Movement From Institutions to Community Settings (OTO)							
1,400,277	0	0	0	1,400,224	0	0	0 1,400,224
c. Direct Care Worker Wage Parity (Restricted)							
1,551,313	0	1,496,488	0	2,445,300	0	2,364,721	0 4,810,021
9. Senior and Long-Term Care Division (22)							
44,035,794	6,265,504	135,666,053	0	45,575,083	7,142,437	142,244,588	0 194,962,108
a. One-Time Payments to Nursing Homes for Medicaid Services							
0	1,350,000	3,627,876	0	0	1,625,000	4,397,980	0 6,022,980
b. Nursing Home and Community Services Improvements (OTO)							
0	162,720	437,280	0	0	161,880	438,120	0 600,000
c. Personal Assistant Wage Increases							
401,931	0	1,080,114	0	638,676	0	1,728,544	0 2,367,220
d. Additional Federal Special Revenue							
0	0	1,000,000	0	0	0	1,000,000	0 1,000,000
e. Maintain Community Services for Elderly and Physically Disabled (Restricted)							
0	0	0	0	97,191	0	0	0 97,191
10. Addictive and Mental Disorders Division (33)							
49,801,020	6,152,612	70,643,821	0	50,713,723	7,590,808	75,394,948	0 133,699,479
a. Community Incentive/State Hospital (Restricted/Biennial/OTO)							
1,196,553	0	0	0	1,196,553	0	0	0 1,196,553
b. Basic Mental Health Services for Children (Restricted)							
647,952	0	0	0	671,928	0	0	0 671,928
c. Regional Mental Health System Planning (Restricted/Biennial)							
208,531	0	278,041	0	208,530	0	278,040	0 486,570
d. Olmstead Planning/Implementation (Restricted)							
0	0	20,000	0	0	0	20,000	0 20,000
e. Intergovernmental Transfer — Mental Health Services							
0	106,155	285,273	0	0	108,564	293,824	0 402,388
f. Intergovernmental Transfer — Chemical Dependency (Biennial)							
0	250,000	671,829	0	0	257,000	695,557	0 952,557
g. Law Enforcement/Judicial Training — Mental Illness (Restricted)							
42,219	0	25,332	0	42,324	0	25,395	0 67,719
h. Federal Community Incentive Grant — Chemical Dependency (OTO)							
0	0	3,594,483	0	0	0	3,594,483	0 3,594,483

	Fiscal 2002				Fiscal 2003			
	General Fund	State Special Revenue	Federal Special Revenue	Other	General Fund	State Special Revenue	Federal Special Revenue	Other
i. SB 107 — Teleconferencing During Mental Health Proceedings	7,800	0	0	0	8,190	0	0	0
j. Maintain Mental Health Day Treatment for Children (Restricted)	0	0	0	0	0	258,736	0	0
k. Maintain Lower Medicaid Copayments	0	0	0	0	0	350,000	0	0
Total	262,958,769	28,922,817	721,073,317	0	268,420,277	35,136,693	735,821,086	0
				1,012,954,903				1,039,378,056

The department shall provide the following information by program to the children, families, health, and human services interim committee and to the legislative finance committee by August 1, 2002:

- (1) rates paid by each program for comparable services; and
 - (2) entry level and average hourly wage and benefit rates paid by community providers for direct care workers and group home employees.
- The information must specify how the data was gathered and whether and how the department verified the data and must be presented to allow evaluation among comparable services and jobs.

The department shall report to the legislative finance committee and the children, families, health, and human services interim committee at every meeting of each committee:

- (1) the actual amount of federal temporary assistance for needy families (TANF) block grant funds expended in the current biennium;
- (2) the actual amount of TANF block grant maintenance of effort funds that have been expended in the current biennium;
- (3) the balance of previous fiscal years' TANF block grant funds that remain unexpended; and
- (4) the balance of the current fiscal year federal TANF block grant funds that remain unexpended.

The department shall use unexpended previous year federal TANF block grant funds to provide benefits and services that meet the federal definition of assistance. Current year federal TANF block grant funds must be used to fund benefits and services that meet the federal definition of assistance only after all available previous years' federal TANF block grant funds have been expended.

The office of budget and program planning may proportionally reduce the funding in items 1a through 1k, items 1m through 1t, and item 1v if any of the following conditions exist:

- (1) the department certifies to the office of budget and program planning that the balance of unexpended TANF funds on June 30, 2001, is less than \$30 million;
- (2) actual or projected cash assistance expenditures are greater than \$24,067,328 in fiscal year 2002 or \$23,763,854 in fiscal year 2003;
- (3) the amount of TANF grant funds awarded to Montana by congress is reduced below the level anticipated by the legislature; or
- (4) the department certifies to the office of budget and program planning that the reduction is necessary in order to maintain public assistance programs that were supported by federal TANF and state TANF maintenance of effort funds in fiscal year 2001.

If the TANF block grant funds report given at the March 2002 legislative finance committee meeting indicates that there are FAIM phase II R dollars unexpended and no plan is in place to expend the remaining dollars, there is appropriated up to \$1.5 million of these unexpended funds for the summer youth employment program in the 2003 biennium.

Item 1 includes increases of \$3,852,988 of general fund money in fiscal year 2002 and of \$4,006,121 of general fund money in fiscal year 2003 and reductions of \$3,356,606 of state special revenue in fiscal year 2002 and of \$3,376,187 of state special revenue in fiscal year 2003 that are contingent upon passage and approval of House Bill No. 124.

Funds in item 1 include \$68,422 in fiscal year 2002 and \$69,606 in fiscal year 2003 that the department shall use to reimburse the Montana department of corrections, Montana correctional enterprises, for costs incurred to operate the Montana food bank network canning and wild game processing facility.

Funds included in items 1b and 1e may be used only to fund tribal projects and to provide nontraditional job training to an enrolled tribal member of a federally recognized tribe whose reservation lies within the exterior boundaries of the Montana reservations and to the Little Shell band of Chippewa if the Little Shell band of Chippewa becomes a federally recognized tribe.

Funds in item 1b may be used to fund head start services for tribal members. Tribal members may not access services supported by funds in item 1r because funding for tribal head start projects has been included in item 1b.

The department shall transfer funds in item 1l to the Montana board of housing revolving loan account to fund eligible activities under the federal TANF block grant. The timing and amount of the transfer must comply with federal regulations governing the expenditure and transfer of TANF funds.

Funds included in item 1t may be used only to develop programs for high-wage and high-skill training for single parents, persons who are economically disadvantaged, and displaced homemakers.

Funds included in item 1u may be used only to provide adult basic education services.

Fiscal 2002				Fiscal 2003			
General Fund	State Special Revenue	Federal Special Revenue	Total	General Fund	State Special Revenue	Federal Special Revenue	Total

Item 7 includes increases of \$1,044,768 of general fund money in fiscal year 2002 and of \$1,070,319 of general fund money in fiscal year 2003 and reductions of \$1,037,443 of state special revenue in fiscal year 2002 and of \$1,055,626 of state special revenue in fiscal year 2003 that are contingent upon passage and approval of House Bill No. 124.

Item 7 includes a reduction in general fund money of \$158,038 in fiscal year 2002 and \$158,038 in fiscal year 2003. This reduction is the equivalent of a 15% reduction in fiscal 2000 base budget travel expenses. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans.

Item 7 includes a reduction in fiscal year 2003 of \$107,795 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The department may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.

Item 7 includes a reduction of \$257,261 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 66.67% reduction in the fiscal year 2003 budget for equipment expenses. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 7 includes a reduction of \$1.45 million of general fund money in fiscal year 2003. This reduction is the equivalent of a 0.53% reduction in the fiscal year 2003 general fund appropriation for the agency. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 7 includes a reduction of \$542,660 in fiscal year 2002 and \$544,550 in fiscal year 2003 of general fund money. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans. The office of budget and program planning shall provide a report that details reallocation to the legislative finance committee by October 15 of each fiscal year.

The department shall make every effort to achieve an unqualified opinion in the financial compliance audit issued by the legislative audit division for the 2 years ending June 30, 2003. The legislature expects the department to take action to ensure that this achievement occurs, including exempting the fiscal bureau from vacancy savings requirements, exempting the fiscal bureau from reductions in staffing, establishing clear and appropriate fiscal policies and processes, and any other management actions that may reasonably be expected to result in the achievement of an unqualified audit opinion.

The developmental disabilities program is directed to use existing general fund appropriations within the developmental disabilities program budget to refinance services, if possible. General fund money made available through refinancing efforts may be used to:

- (1) reduce the developmental disability program waiting list;
- (2) improve wages paid by community providers to direct care workers;
- (3) provide a provider rate increase to community services providers; and
- (4) fund existing plans of care for individuals waiting for residential services.

The developmental disabilities program will report to the legislative fiscal division semiannually in January and July:

- (1) the amount of general fund money that was made available through refinancing efforts;
- (2) the amount, scope, and nature of services provided by funds made available through refinancing;
- (3) the number of consumers, providers, and direct care worker staff benefiting from initiatives funded through refinancing efforts; and
- (4) the amount of additional state special and federal funds obtained through refinancing efforts.

Item 8 includes a \$1,965,199 general fund decrease in fiscal year 2003 for the disability services division replaced by a like amount of employment security account state special revenue funds administered by the department of labor and industry.

Item 8c includes \$3,996,613 in general fund money and \$3,861,209 in federal funds to begin equalization of wages paid to direct care workers employed by developmental disability community providers with direct care worker wages paid to employees at Eastmont human services center and the Montana developmental center.

The disability services division shall complete a report on the impact that applying income criteria to determine eligibility for developmental disabilities program services and benefits would have on individuals, the waiting list for services, and the budget for the developmental disabilities program. The report must be presented to the legislative finance committee by June 30, 2002. The report to the legislative finance committee should include by age group (0-3, 4-5, 6-18, 18-21, and over 21 years of age) and by residential setting (recipient home, group home, institution, etc.):

- (1) the number of nonmedicaid-eligible recipients and the value of services, by funding source, provided to individuals and families with income at or below 200% of the federal poverty level; and
- (2) the number of nonmedicaid-eligible recipients and the value of services, by funding source, provided to individuals and families with income at or below 150% of the federal poverty level.

The fiscal year 2003 funds in items 8, 8a, and 8b may not be expended until the report has been presented to the legislative finance committee.

Included in item 8b is general fund money of \$1,400,277 in fiscal year 2002 and \$1,400,224 in fiscal year 2003. This funding is one time only. The combined population at the two institutions (Eastmont human services center and Montana developmental center) may not exceed 88 individuals at the end of the 2003 biennium. If the disability services division has a population of more than 88 individuals at the two institutions at the end of the 2003 biennium, the division shall certify that a community residential setting was not available for the individuals remaining in the two institutions.

Fiscal 2002				Fiscal 2003							
General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
C. NATURAL RESOURCES AND COMMERCE											
DEPARTMENT OF FISH, WILDLIFE, AND PARKS (5201)											
1. Administration and Finance Division (01)											
0	5,683,118	1,199,741	0	0	6,882,859	0	5,715,726	1,196,547	0	0	6,912,273
a. Legislative Audit (Restricted/Biennial)											
0	62,028	10,946	0	0	72,974	0	0	0	0	0	0
b. Legislative Contract Authority (Restricted/OTO)											
0	0	75,000	0	0	75,000	0	0	75,000	0	0	75,000
2. Field Services Division (02)											
0	6,601,562	724,700	0	0	7,326,262	0	6,651,474	729,488	0	0	7,380,962
a. Public Wildlife Interface (Biennial)											
0	65,000	0	0	0	65,000	0	0	0	0	0	0
b. Legislative Contract Authority (Restricted/OTO)											
0	0	60,000	0	0	60,000	0	0	60,000	0	0	60,000
c. SB 285 — Revise Conservation License Laws (OTO)											
0	0	0	0	0	0	0	802,000	0	0	0	802,000
3. Fisheries Division (03)											
0	3,314,986	3,786,792	0	0	7,101,778	0	3,338,044	3,799,927	0	0	7,137,971
a. Fishing Access Assistance (Restricted/OTO)											
0	50,000	0	0	0	50,000	0	50,000	0	0	0	50,000
b. Recreation Conflict Coordinator (OTO)											
0	15,874	37,039	0	0	52,913	0	15,874	37,039	0	0	52,913
c. Legislative Contract Authority (Restricted/OTO)											
0	0	1,851,019	0	0	1,851,019	0	0	1,851,019	0	0	1,851,019
d. Echo Lake Fish Planting (OTO)											
0	7,500	22,500	0	0	30,000	0	7,500	22,500	0	0	30,000
4. Law Enforcement Division (04)											
0	5,983,160	277,002	0	0	6,260,162	0	6,057,818	280,150	0	0	6,337,968
a. Alternative Livestock Environmental Review (Biennial/OTO)											
0	96,000	0	0	0	96,000	0	0	0	0	0	0
b. Legislative Contract Authority (Restricted/OTO)											
0	0	10,000	0	0	10,000	0	0	10,000	0	0	10,000
c. HB 419 — Create Natural Resources Enforcement Program in Attorney General's Office											
0	41,600	0	0	0	41,600	0	41,600	0	0	0	41,600
5. Wildlife Division (05)											
0	3,641,942	3,432,582	0	0	7,074,524	0	3,682,843	3,434,308	0	0	7,117,151
a. Mountain Lion Research (Restricted/OTO)											
0	38,992	116,978	0	0	155,970	0	38,992	116,978	0	0	155,970
b. Black Bear Research (OTO)											
0	14,830	44,490	0	0	59,320	0	14,830	44,490	0	0	59,320
c. Sage Grouse Monitoring (OTO)											
0	22,500	67,500	0	0	90,000	0	22,500	67,500	0	0	90,000
d. Legislative Contract Authority (Restricted/OTO)											
0	0	533,798	0	0	533,798	0	0	533,798	0	0	533,798

Fiscal 2002						Fiscal 2003					
General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
6. Parks Division (06)											
279,256	4,518,999	244,914	0	0	5,043,169	274,929	4,564,968	244,896	0	0	5,084,793
a. Motorboat Site Maintenance (Restricted)	0	11,000	40,000	0	51,000	0	11,000	40,000	0	0	51,000
b. Snowmobile Equipment (Biennial)	0	298,000	0	0	298,000	0	0	0	0	0	0
c. Continue Chief Plenty Coups (Restricted/Biennial/OTO)	0	214,155	0	0	214,155	0	0	0	0	0	0
d. Legislative Contract Authority (Restricted/OTO)	0	0	50,000	0	50,000	0	0	50,000	0	0	50,000
7. Conservation Education Division (08)											
2,562	1,699,295	499,481	0	0	2,201,338	2,562	1,711,770	499,472	0	0	2,213,804
a. Aquatic Education/Family Fishing (Restricted)	0	0	200,000	0	200,000	0	0	200,000	0	0	200,000
b. Shooting Range Grants (Biennial)	0	120,000	0	0	120,000	0	0	0	0	0	0
c. Shooting Range Grants Enhancement (Biennial/OTO)	0	60,000	0	0	60,000	0	0	0	0	0	0
d. Legislative Contract Authority (Restricted/OTO)	0	0	35,000	0	35,000	0	0	35,000	0	0	35,000
8. Department Management (09)											
0	2,586,380	882,199	0	0	3,468,579	0	2,595,545	880,521	0	0	3,476,066
a. Office Maintenance and Small Equipment (Restricted/OTO)	0	25,000	0	0	25,000	0	25,000	0	0	0	25,000
b. Cadastral Database (Restricted)	0	9,000	0	0	9,000	0	9,000	0	0	0	9,000
c. Native Species Conservation (Restricted/OTO)	0	0	511,427	0	511,427	0	0	511,427	0	0	511,427
d. Hunting and Fishing License Research (Restricted/OTO)	0	15,000	0	0	15,000	0	10,000	0	0	0	10,000
e. Legislative Contract Authority (Restricted/OTO)	0	0	200,000	0	200,000	0	0	200,000	0	0	200,000

The appropriations for legislative contract authority are subject to all of the following provisions:

- (1) Legislative contract authority applies only to federal funds.
 - (2) Legislative contract authority expenditures must be reported on the state's accounting system, and the records must be separate from present law operations. In preparing the 2005 biennium budget for legislative consideration, the office of budget and program planning may not include the expenditures from this item in the present law base.
 - (3) A report must be submitted by the department to the legislative fiscal division following the end of each fiscal year of the biennium. The report must include a list of projects with the related amount of expenditures and FTE for each project.
- The department is to report to the natural resources and commerce appropriations subcommittee on the projects funded with federal Sikes Act money and state matching money. The report is to include an analysis of the viability for continuance of the program and a list of projects funded with the money.

Fiscal 2002			Fiscal 2003			
General Fund	State Special Revenue	Federal Special Revenue	General Fund	State Special Revenue	Federal Special Revenue	Total
					Proprietary	Other

If the department is required to adjust personal services expenditure costs between state and federal accounts, the approving authority shall adjust the state special revenue appropriation and the federal appropriation by like amounts. All transfers between fund types must be fully explained and justified on budget documents submitted to the office of budget and program planning.

The department shall determine and quantify any efficiencies generated as a result of incorporating the Smith River drawing process into the automated license system and report its findings to the 2003 legislature.

Item 1b legislative contract authority (LCA) is subject to all LCA provisions stated in the agency's language. LCA is restricted and a one-time-only item in [this act] and must be requested as a new proposal to be continued into the 2003 biennium. LCA applies only to federal funds.

Item 2b LCA is subject to all LCA provisions stated in the agency's language. LCA is restricted and a one-time-only item in [this act] and must be requested as a new proposal to be continued into the 2003 biennium. LCA applies only to federal funds.

Item 3 includes \$19,726 in state special revenue funds each fiscal year and \$59,178 in federal special revenue funds each fiscal year that are restricted to equipment purchases in the fisheries division and payouts of leave accruals because of retirements in the fisheries division.

Item 3c LCA is subject to all LCA provisions stated in the agency's language. LCA is restricted and a one-time-only item in [this act] and must be requested as a new proposal to be continued into the 2003 biennium. LCA applies only to federal funds.

Item 4 includes a reduction in general fund money of \$18,339 in fiscal year 2002 and \$18,339 in fiscal year 2003. This reduction is the equivalent of a 25% reduction in fiscal year 2000 base budget travel expenses. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans.

Item 4a contains a biennial appropriation of \$96,000 for game farm environmental assessment/environmental impact statements.

Item 4b LCA is subject to all LCA provisions stated in the agency's language. LCA is restricted and a one-time-only item in [this act] and must be requested as a new proposal to be continued into the 2003 biennium. LCA applies only to federal funds.

Item 4c is contingent upon passage and approval of House Bill No. 419.

Item 5a is a restricted and one-time-only appropriation for mountain lion research.

Item 5d LCA is subject to all LCA provisions stated in the agency's language. LCA is restricted and a one-time-only item in [this act] and must be requested as a new proposal to be continued into the 2003 biennium. LCA applies only to federal funds.

Item 6 includes a reduction of \$224 in fiscal year 2002 and \$225 in fiscal year 2003 of general fund money. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans. The office of budget and program planning shall provide a report that details reallocation to the legislative finance committee by October 15 of each fiscal year.

Item 6 includes a reduction of \$2,817 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the agency. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 6 includes a reduction in fiscal year 2003 of \$1,509 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The agency may allocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 6a is a restricted appropriation for motorboat site maintenance.

Item 6b includes a biennial appropriation of \$298,000 for snowmobile equipment.

The department may expend from the appropriation in item 6c no more than one-half of the unspent 2001 biennium appropriation made for this purpose. It is the intent of the legislature for the department to use any funds reverted from the 2001 biennium for the purpose of carrying out various maintenance and construction projects described in the management plan for Chief Plenty Coups state park. Further, the department may pursue up to \$214,155 of lodging facility use tax funds appropriated to the department for state park maintenance in addition to the \$214,155 appropriated in [this act] for purposes of completing the maintenance and construction projects at Chief Plenty Coups state park. The department shall develop a tracking and reporting method for amounts spent from the lodging facility use tax for this purpose. The department shall report to the legislative finance committee at its June 2002 (or nearest) meeting on factors such as projects completed, dollars spent, and a timeline for completion of the remainder of the projects.

Item 6d LCA is subject to all LCA provisions stated in the agency's language. LCA is restricted and a one-time-only item in [this act] and must be requested as a new proposal to be continued into the 2003 biennium. LCA applies only to federal funds.

Item 7a is a restricted appropriation for aquatic education program/family fishing.

Item 7b is a biennial appropriation of \$120,000 for shooting range grants.

Item 7c is a biennial and one-time-only appropriation of \$60,000 for shooting range grants enhancement.

Item 7d LCA is subject to all LCA provisions stated in the agency's language. LCA is restricted and a one-time-only item in [this act] and must be requested as a new proposal to be continued into the 2003 biennium. LCA applies only to federal funds.

Item 8 includes a total of \$138,780 for the 2003 biennium for the Montana natural resources information system. Quarterly payments must be made upon receipt of the bills from the state library, up to the total amount appropriated.

Fiscal 2002						Fiscal 2003					
General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
Item 8b is a restricted appropriation for the cadastral database.											
Item 8c LCA is subject to all LCA provisions stated in the agency's language. LCA is restricted and a one-time-only item in [this act] and must be requested as a new proposal to be											
inued into the 2003 biennium. LCA applies only to federal funds.											
DEPARTMENT OF ENVIRONMENTAL QUALITY (5301)											
1. Central Management Program (10)											
16,918	0	3,381	0	0	20,299	16,926	0	3,381	0	0	20,307
a. Database Development (Restricted/Biennial/OTO)											
150,000	0	0	0	0	150,000	0	0	0	0	0	0
b. Legal Challenges (Biennial/OTO)											
150,000	0	0	0	0	150,000	0	0	0	0	0	0
2. Planning, Prevention, and Assistance Division (20)											
1,152,158	1,063,532	8,703,501	0	0	11,919,191	2,085,033	1,058,511	8,637,953	0	0	11,781,497
a. Technical Assistance to Tribal Air Quality (OTO)											
0	0	108,464	0	0	108,464	0	0	103,772	0	0	103,772
b. Particulate Matter (2.5) Monitoring (Restricted)											
0	0	250,784	0	0	250,784	0	0	249,099	0	0	249,099
c. One-Stop Grant for Database (Biennial/OTO)											
0	0	450,000	0	0	450,000	0	0	0	0	0	0
d. Flathead Lake Biological Monitoring Station											
0	0	100,000	0	0	100,000	0	0	0	0	0	0
e. SB 506 — Alternative Energy Revolving Loan Account											
0	60,000	0	0	0	60,000	0	60,000	0	0	0	60,000
3. Enforcement Division (30)											
537,756	179,012	372,895	0	0	1,089,663	525,799	180,035	374,997	0	0	1,080,831
4. Remediation Division (40)											
0	3,212,735	7,164,215	0	0	10,376,950	0	3,244,983	7,173,433	0	0	10,418,416
a. Enterprise Database Development (OTO)											
0	200,000	0	0	0	200,000	0	25,000	0	0	0	25,000
b. Cleanup/Lockwood Solvent (Biennial)											
0	0	580,450	0	0	580,450	0	0	513,208	0	0	513,208
c. Contracted Services — Legal Support (Restricted/Biennial/OTO)											
0	150,000	0	0	0	150,000	0	0	0	0	0	0
d. Leaking Underground Storage Tank Trust — Truck Replacement (OTO)											
0	3,000	27,000	0	0	30,000	0	0	0	0	0	0
e. Orphan Share Reimbursement (Restricted/Biennial/OTO)											
0	3,500,000	0	0	0	3,500,000	0	0	0	0	0	0
f. Aboveground Storage Tank Survey (Restricted/OTO)											
0	25,000	0	0	0	25,000	0	25,000	0	0	0	25,000
g. Petroleum Tank Release Compensation Board Fund Liability Study (Restricted/OTO)											
0	75,000	0	0	0	75,000	0	0	0	0	0	0
h. Database Development (Restricted/OTO)											
0	18,306	34,294	0	0	52,600	0	18,306	34,294	0	0	52,600
i. Leaking Underground Storage Tank Trust Contracted Services (Restricted/OTO)											
0	30,000	270,000	0	0	300,000	0	30,000	270,000	0	0	300,000

Fiscal 2002						Fiscal 2003					
General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
5. Permitting and Compliance Division (50)											
1,217,914	8,282,151	3,716,638	0	0	13,216,703	1,185,231	8,342,531	3,701,871	0	0	13,229,633
a. Junk Vehicle Database Conversion (Restricted/OTO)	0	60,000	0	0	60,000	0	18,000	0	0	0	18,000
b. Asbestos Compliance (Restricted/OTO)	28,300	56,700	0	0	85,000	28,300	56,700	0	0	0	85,000
c. Hazardous Waste Contract Service (Restricted/Biennial/OTO)	0	150,000	0	0	150,000	0	0	0	0	0	0
d. Bond Forfeitures (Restricted/Biennial)	0	30,500,000	0	0	30,500,000	0	0	0	0	0	0
e. Montana Environmental Policy Act Projects (Restricted/Biennial)	0	1,000,000	0	0	1,000,000	0	0	0	0	0	0
f. Hard-Rock Federal Funds (Restricted/Biennial/OTO)	0	3,000,000	0	0	3,000,000	0	0	0	0	0	0
g. SB 449 — Environmental Rehabilitation and Response (Restricted/Biennial)	0	125,000	0	0	125,000	0	0	0	0	0	0
h. Major Facility Siting Act Projects (Restricted/Biennial/OTO)	0	300,000	0	0	300,000	0	0	0	0	0	0
i. Abandoned Vehicle Operating Costs (Restricted/OTO)	0	172,230	0	0	172,230	0	172,230	0	0	0	172,230
j. Public Water Supply Equipment (Restricted/OTO)	0	15,000	0	0	15,000	0	15,000	0	0	0	15,000
k. Hard-Rock Equipment (Restricted/OTO)	0	8,990	0	0	8,990	0	0	0	0	0	0
l. Solid Waste Database Conversion (OTO)	50,000	50,000	0	0	100,000	15,000	15,000	0	0	0	30,000
m. Zortman/Landusky Long-Term Water Treatment Trust (Restricted/OTO)	0	0	0	0	0	0	540,000	0	0	0	540,000
n. SB 484 — Hard-Rock Mining Reclamation, Operation, and Maintenance (Restricted/Biennial)	0	4,000,000	0	0	4,000,000	0	0	0	0	0	0
o. SB 167 — Sanitation in Subdivision Grants to Counties (Restricted)	0	204,000	0	0	204,000	0	204,000	0	0	0	204,000

Total

4,303,046	53,440,656	24,781,622
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4,303,046	53,440,656	24,781,622	0
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Items 2, 4, and 5 include a total of \$177,855 for the 2000 from the state library, up to the total amount appropriated.

Item 2 includes a reduction in fiscal year 2003 of \$6,146 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The department may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.

Item 2 includes a reduction of \$13,278 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 66.67% reduction in the fiscal year 2003 budget for equipment expenses. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 2 includes a reduction of \$39,144 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the agency. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Fiscal 2002				Fiscal 2003			
General Fund	State Special Revenue	Federal Special Revenue	Total	General Fund	State Special Revenue	Federal Special Revenue	Total

Item 2d is contingent upon receipt of environmental protection agency 104b(3) ecosystem protection grant funds for the purposes of water quality monitoring and assessment activities. Upon receipt, the department shall contract with the Flathead Lake biological monitoring station for up to \$100,000 of these funds in support of department priority total maximum daily load monitoring and assessment projects.

Item 2e is contingent upon passage and approval of Senate Bill No. 506. The funds appropriated in item 2d are from the alternative energy revolving loan account created in Senate Bill No. 506. The funding must be spent for administration of the loan program subject to restrictions provided in Senate Bill No. 506.

Item 5 includes a reduction in general fund money of \$7,328 in fiscal year 2002 and \$7,328 in fiscal year 2003. This reduction is the equivalent of an 8% reduction in fiscal year 2000 base budget travel expenses. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans.

Item 5 includes a reduction of \$21,608 in fiscal year 2002 and \$21,683 in fiscal year 2003 of general fund money. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans. The office of budget and program planning shall provide a report that details reallocation to the legislative finance committee by October 15 of each fiscal year.

Item 5g is contingent upon passage and approval of Senate Bill No. 449.

Item 5m includes a restricted, one-time-only appropriation of up to \$540,000 from state special revenue funds in fiscal year 2003 that have been transferred from the resource indemnity trust fund. The appropriation is contingent upon the state treasurer's certification to the office of budget and program planning and to the legislative finance committee that the trust balance is in excess of \$100 million. Upon meeting the contingency in fiscal year 2003, the office of budget and program planning is authorized to transfer up to \$540,000 in cash from the resource indemnity trust fund to a state special revenue fund to be used to purchase federal debt obligation securities that mature in June 2017 to partially fund the long-term water treatment trust for the former Zortman and Landusky mines.

Item 5n is contingent upon passage and approval of Senate Bill No. 484.

Item 5o is contingent upon passage and approval of Senate Bill No. 167.

The department is authorized to decrease federal special revenue in the pollution control and the drinking water revolving fund loan programs and increase state special revenue by a like amount within the special administration account.

DEPARTMENT OF LIVESTOCK (5603)

1. Centralized Services Program (01)							
14,748	1,028,923	116,009	0	0	1,159,680	16,575	1,054,776
a. Legislative Audit (Restricted/Biennial)							
2,724	26,563	4,768	0	0	34,055	0	0
b. Laboratory Information System Equipment/Installation (OTO)							
0	96,200	10,000	0	0	106,200	0	0
c. Board of Horseracing							
0	237,913	0	0	0	237,913	0	241,877
d. Legislative Audit — Board of Horseracing (Restricted/Biennial)							
0	450	0	0	0	450	0	0
2. Diagnostic Laboratory Program (03)							
190,933	1,194,465	11,115	0	0	1,396,513	184,860	1,212,404
3. Animal Health Program (04)							
0	680,445	0	0	0	680,445	0	710,510
a. Bison Federal Cooperative Agreement (Restricted/OTO)							
0	0	651,310	0	0	651,310	0	651,310
b. Disease Outbreak (Restricted/OTO)							
0	177,823	0	0	0	177,823	0	177,823
c. Greater Yellowstone Interagency Brucellosis Committee (Restricted/OTO)							
0	0	127,600	0	0	127,600	143,211	143,211
4. Milk and Egg Program (05)							
0	242,143	24,758	0	0	266,901	0	271,537
5. Inspection and Control Program (06)							
0	2,608,699	39,244	0	0	2,647,943	39,381	2,634,219

	Fiscal 2002			Fiscal 2003			
	General Fund	State Special Revenue	Federal Special Revenue	General Fund	State Special Revenue	Federal Special Revenue	Total
	0	177,500	0	0	140,500	0	140,500
g. Replacement Equipment (OTO)	0	15,000	0	0	17,000	0	17,000
h. Habitat Conservation Plan (Restricted/Biennial/OTO)	0	0	200,000	0	0	0	0
i. Homeowner Defensible Space Audits (Biennial/OTO)	0	0	200,000	0	0	0	0
j. Private Forest Landowner Assistance (Restricted/Biennial/OTO)	0	0	350,000	0	0	0	0
k. SB 31 -- Revise State Trust Land Laws	0	5,000	0	0	5,000	0	5,000
l. SB 354 -- Full Compensation for School Trust for Natural Areas	0	0	0	0	35,000	0	35,000
m. SB 495 -- Purchase of Public School Fund Mineral Production Rights (Restricted/Biennial/OTO)	0	0	0	0	0	0	0
75,000,000	0	0	0	0	0	0	0
Total	91,598,702	19,496,847	2,816,922	15,038,377	16,941,645	2,051,618	34,031,640

All remaining proceeds in excess of \$100 million in the resource indemnity trust fund, up to \$100,000, must be appropriated in fiscal year 2003 to the department based upon a split of two-thirds for conservation district grant projects and one-third for irrigation grants. The appropriation is contingent upon the governor's certification that the trust balance is in excess of \$100 million. If the contingency is met in fiscal year 2003, the office of budget and program planning is authorized to transfer up \$100,000 in cash from the resource indemnity trust fund to a state special revenue fund to be used for these purposes. Further, the cash for this purpose cannot be transferred until \$1 million has been transferred for a fund switch in item 3, \$300,000 has been transferred for the purpose of weed eradication, \$540,000 has been transferred for the purpose of purchasing securities for water treatment at the former Zortman and Landusky mines, and \$120,000 has been transferred for the Clark Fork River study.

Item 1 includes a reduction in fiscal year 2003 of \$28,167 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The department may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.

Item 1 includes a reduction of \$260,840 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 66.67% reduction in the fiscal year 2003 budget for equipment expenses. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 1 includes a reduction of \$152,934 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the agency. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 1 includes a reduction in general fund money of \$33,468 in fiscal year 2003. This reduction is the equivalent of a 10% reduction in fiscal year 2000 base budget travel expenses. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans.

Item 1 includes a reduction of \$107,169 in fiscal year 2002 and \$107,543 in fiscal year 2003 of general fund money. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans. The office of budget and program planning shall provide a report that details reallocation to the legislative finance committee by October 15 of each fiscal year.

Item 2 includes a total of \$98,310 for the 2003 biennium for the Montana natural resources information system. Quarterly payments must be made upon receipt of the bills from the state library, up to the total amount appropriated.

The department is authorized to decrease state special revenue in the underground injection control program and to increase federal special revenue by a like amount when the amount of federal EPA funds available for the program becomes known. Any federal special revenue funds are to be spent before state special revenue funds.

The department is appropriated up to \$600,000 for the 2003 biennium from the state special revenue account established in 85-1-604 for the purchase of prior liens on property held as loan security as provided in 85-1-618.

During the 2003 biennium, up to \$100,000 of excess loan loss reserve money in the water pollution control state revolving fund is appropriated to make grants to aid in the feasibility of projects as authorized in 75-5-1113(3)(b).

During the 2003 biennium, up to \$100,000 of excess loan loss reserve money in the drinking water state revolving fund is appropriated to make grants to aid in the feasibility of projects as authorized in 75-6-224(3)(b).

	Fiscal 2002				Fiscal 2003			
	General Fund	State Special Revenue	Federal Special Revenue	Total	General Fund	State Special Revenue	Federal Special Revenue	Total
0	0	0	2,000,000	0	0	0	0	0
d. Weed Control Program (Restricted)								
101,341	0	0	0	101,341	101,337	0	0	101,337
e. SB 326 — Weed Control Program (Restricted/OTO)								
0	0	0	0	0	0	300,000	0	300,000
3. Agricultural Development Division (50)								
353,758	3,184,793	45,710	267,859	3,852,120	356,635	2,954,491	45,710	3,625,010
a. Rail Transportation Technical Assistance (Restricted/Biennial/OTO)								
0	50,000	0	0	50,000	0	0	0	0
Total	791,394	8,315,131	2,636,485	12,098,761	764,943	8,254,014	637,742	9,979,846

It is the intent of the legislature that the department use sources other than the general fund to fund operations of the organic certification program in the 2005 biennium.

Item 1 includes a reduction in general fund money of \$4,827 in fiscal year 2002 and \$4,827 in fiscal year 2003. This reduction is the equivalent of a 13% reduction in fiscal year 2000 base budget travel expenses. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans.

Item 1 includes a reduction of \$2,715 in fiscal year 2002 and \$2,725 in fiscal year 2003 of general fund money. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans. The office of budget and program planning shall provide a report that details reallocation to the legislative finance committee by October 15 of each fiscal year.

Item 1 includes a reduction in fiscal year 2003 of \$3,208 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The department may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.

Item 1 includes a reduction of \$9,069 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 66.67% reduction in the fiscal year 2003 budget for equipment expenses. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 1 includes a reduction of \$7,848 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the agency. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 2 contains \$100,000 each year of the 2003 biennium from the department of transportation highway state special revenue fund for use in the weed control program. This appropriation is contingent upon passage and approval of Senate Bill No. 326.

The funds in item 2d are to be granted to governmental entities through an application process, to mitigate the impact of noxious weeds on private and state lands, except department of fish, wildlife, and parks lands, as a result of the activities of the department of fish, wildlife, and parks.

Item 2e contains a \$300,000 appropriation in fiscal year 2003 from state special revenue funds that are to be transferred from the resource indemnity trust fund. The \$300,000 appropriation is contingent upon the governor's certification that the trust balance is in excess of \$100 million. If the contingency is met in fiscal year 2003, the office of budget and program planning is authorized to transfer the \$300,000 in cash from the resource indemnity trust fund to a state special revenue fund to be used for this purpose.

Item 3 includes a reduction of \$193,000 in state special revenue, which is contingent upon passage and approval of House Bill No. 10, August 2002 Special Session.

DEPARTMENT OF COMMERCE (6501)									
1. Board of Research and Commercialization (50)									
119,300	0	0	0	119,300	120,469	0	0	0	120,469
a. Legislative Audit (Restricted/Biennial)									
340	0	0	0	340	0	0	0	0	0
2. Economic Development Division (51)									
1,179,577	247,344	4,069,728	0	5,496,649	1,168,949	247,339	4,070,118	0	5,486,406
a. Legislative Audit (Restricted/Biennial)									
7,051	0	0	0	7,051	0	0	0	0	0
3. Montana Promotion Division (52)									
0	750,000	0	0	750,000	0	750,000	0	0	750,000
a. Legislative Audit (Restricted/Biennial)									
0	15,149	0	0	15,149	0	0	0	0	0

	Fiscal 2002			Fiscal 2003		
	General Fund	State Special Revenue	Federal Special Revenue	General Fund	State Special Revenue	Federal Special Revenue
4. Community Development Division (60)						
430,411 1,885,393 8,179,207				430,368	1,760,408	8,179,673
a. Legislative Audit (Restricted/Biennial)						
4,920 925 0				0	0	0
b. Hard-Rock Mining Impact Account Reserve (Restricted)						
0 100,000 0				0	100,000	0
5. Housing Division (74)						
0 0 53,450,673				0	0	56,320,247
a. Legislative Audit (Restricted/Biennial)						
0 0 11,973				0	0	0
6. Director's Office/Management Services Division (81)						
a. Department Server/Hardware Replacement (OTO)						
14,389 1,701 18,566				0	0	0
b. Federal Building Rent						
0 0 0				0	57,838	55,038
c. Federal Building/Move (OTO)						
0 0 18,000				0	30,000	6,000
Total						
1,755,988 3,000,512 65,748,147				1,719,786	2,945,585	68,631,076

It is the intent of the legislature that the money allocated in item 1 to the board of research and commercialization and other money allocated to the board from statutory appropriations and other sources be allocated by the board in a manner that gives preferences to applications that advance projects that have a positive impact on homeland security technologies, such as the R.A.V.E project that is developing and commercializing technologies for national airport security and is using Montana airports as pilot projects and Montana companies as vendors.

Item 2 includes a reduction of \$13,252 in fiscal year 2002 and \$13,298 in fiscal year 2003 of general fund money. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans. The office of budget and program planning shall provide a report that details reallocation to the legislative finance committee by October 15 of each fiscal year.

Item 2 includes a reduction of \$17,419 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the agency. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 4 includes a reduction in fiscal year 2003 of \$4,836 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The department may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.

Item 4 includes a reduction of \$185,000 in state special revenue, which is contingent upon passage and approval of House Bill No. 10, August 2002 Special Session.

It is the intent of the legislature that the department use lodging facility use taxes to fund \$515,961 in fiscal year 2002 and \$511,677 in fiscal year 2003 for the Montana historical society. This would be expended as follows:

	2002	2003
MHS Lewis and Clark Bicentennial	\$116,477	\$111,124
MHS Scriver Curator	28,484	25,553
MHS Scriver Rent Storage	96,000	100,000
MHS Lewis and Clark Bicentennial Commission	200,000	200,000
MHS Historical Interpretation	75,000	75,000
TOTAL SECTION C		
99,335,069 126,411,979 112,278,563	355,751	0
	22,259,004	84,383,002
	338,381,362	108,668,137
	0	323,147
		0
		215,633,290

Fiscal 2002						Fiscal 2003					
General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
D. CORRECTIONS AND PUBLIC SAFETY											
CRIME CONTROL DIVISION (4107)											
1. Justice System Support Service (01)											
678,872	0	595,273	0	0	1,274,145	669,676	0	593,356	0	0	1,263,032
a. Regional Juvenile Detention (Biennial)											
1,114,942	0	0	0	0	1,114,942	1,114,942	0	0	0	0	1,114,942
b. Federal Pass-Through Grants (Biennial)											
0	0	9,525,213	0	0	9,525,213	0	0	9,525,213	0	0	9,525,213
c. Computer Crime Unit (Biennial)											
0	0	149,670	0	0	149,670	0	0	0	0	0	0
Total											
1,793,814	0	10,270,156	0	0	12,063,970	1,784,618	0	10,118,569	0	0	11,903,187
All remaining federal pass-through grant appropriations, including reversions, for the 2001 biennium are authorized to continue and are appropriated in fiscal year 2002 and fiscal year 2003.											
Item 1 includes a reduction in general fund money of \$2,352 in fiscal year 2002 and \$2,352 in fiscal year 2003. This reduction is the equivalent of an 11% reduction in fiscal year 2000 base budget travel expenses.											
Item 1 includes a reduction in fiscal year 2003 of \$2,571 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The division may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.											
Item 1 includes a reduction of \$1,575 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 66.67% reduction in the fiscal year 2003 budget for equipment expenses. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.											
Item 1 includes a reduction of \$18,067 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the division. The board of crime control shall update juvenile crime statistics from the child and adult protective services system on the board's web page semiannually.											
DEPARTMENT OF JUSTICE (4110)											
1. Legal Services Division (01)											
2,672,847	327,095	149,680	0	0	3,149,622	2,649,477	328,436	150,137	0	0	3,128,050
a. Major Litigation (Restricted/Biennial)											
200,000	0	0	0	0	200,000	200,000	0	0	0	0	200,000
b. Crime Victim Benefits (Biennial)											
579,398	0	225,000	0	0	804,398	581,300	0	225,000	0	0	806,300
c. HB 419 — Natural Resources Enforcement Program											
0	41,600	0	0	0	41,600	0	41,600	0	0	0	41,600
d. Amber Alert System (Restricted/OTO)											
0	0	0	0	0	0	75,000	0	0	0	0	75,000
2. Gambling Control Division (07)											
380,000	2,258,625	0	611,103	0	3,249,728	342,000	2,268,893	0	613,766	0	3,224,659
3. Motor Vehicle Division (12)											
8,191,905	432,194	0	0	0	8,624,099	1,479,512	7,068,993	0	0	0	8,548,505
a. HB 577 — Motor Vehicle IT Account (Biennial)											
0	960,000	0	0	0	960,000	0	0	0	0	0	0
b. SB 334 — Driver Rehabilitation and Improvement Program											
0	33,148	0	0	0	33,148	0	32,778	0	0	0	32,778
4. Highway Patrol Division (13)											
1,039,779	17,050,446	964,494	0	0	19,054,719	1,040,250	17,349,960	971,207	0	0	19,361,417

	Fiscal 2002			Fiscal 2003		
	General Fund	State Special Revenue	Federal Special Revenue	General Fund	State Special Revenue	Federal Special Revenue
a. SB 358 — Access to Traffic Accident Reports						
0	16,574	0	0	16,574	0	0
b. HB 256 — Reckless or Careless Driving						
12,073	0	0	0	12,073	0	0
5. Division of Criminal Investigation (18)						
2,307,322	317,557	1,340,519	0	3,965,398	318,802	1,346,416
6. County Attorney Payroll (19)						
1,695,751	0	0	0	1,695,751	0	0
7. Law Enforcement Academy Division (22)						
1,104,721	50,000	199,607	0	1,354,328	50,000	199,722
8. Central Services Division (28)						
276,527	354,448	0	12,888	643,863	352,914	0
a. Legislative Audit (Restricted/Biennial)						
26,149	33,447	0	1,216	60,812	0	0
9. Information Technology Services Division (29)						
2,700,395	656,401	771,611	10,199	4,138,606	656,387	771,595
10. Forensic Sciences Division (32)						
2,085,304	303,205	185,673	0	2,574,182	303,205	185,973
a. HB 359 — Expand Collection of DNA Evidence						
24,150	0	0	0	24,150	0	0
Total	23,296,321	22,834,740	3,836,584	50,603,051	28,785,914	3,850,050

The appropriations for legislative contract authority are subject to all of the following provisions:

(1) Legislative contract authority applies only to federal and private funds.

(2) Legislative contract authority expenditures must be reported on the state accounting records and kept separate from present law operations. In preparing the 2005 biennium executive budget, the office of budget and program planning may not include expenditures from this item in the present law base.

(3) A report must be submitted by the department to the legislative fiscal analyst following the end of each fiscal year, listing legislative contract authority grants received and the amount of expenditures and FTE for each grant.

The legislature recognizes that the costs associated with litigation in which the legal services division is required to provide representation to the state of Montana may exceed the appropriation provided. In that event, the department will need to request a supplemental appropriation from the 2003 legislature to adequately represent the state.

Item 1 includes a reduction in fiscal year 2003 of \$40,008 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.

Item 1c is contingent upon passage and approval of House Bill No. 419.

The appropriation for the gambling control division contains funding for the automated accounting and reporting system (AARS). The general fund appropriation of \$380,000 in each year of the 2003 biennium reflects continuation of a 5-year general fund commitment for this project through the 2005 biennium. It is the intent of the legislature that an annual general fund commitment of \$236,250 be continued in each year of the 2007 biennium. If the long-range building program committee bill, to use intercap funding for AARS implementation, is passed by the 2001 legislature, a portion of these appropriations may be used to make debt service payments.

The department is appropriated up to \$2,800,000 for the biennium from state special revenue funds for the purchase of system interface boards to be used for the implementation of the AARS.

Item 2 includes a reduction in fiscal year 2003 of \$38,000 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.

Item 2 includes a reduction of \$567,203 in general fund money in fiscal year 2002 and \$569,866 in fiscal year 2003 and an increase in proprietary funds of \$611,103 in fiscal year 2002 and \$613,766 in fiscal year 2003. These reductions and increases are contingent upon passage and approval of House Bill No. 399.

Item 3 includes a reduction in general fund money of \$31,502 in fiscal year 2002 and \$31,502 in fiscal year 2003. This reduction is the equivalent of a 10% reduction in fiscal year 2000 base budget travel expenses. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans.

Item 3 includes \$5,738 of general fund money in fiscal year 2002 that is contingent upon passage and approval of House Bill No. 124.

	Fiscal 2002				Fiscal 2003			
	General Fund	State Special Revenue	Federal Special Revenue	Total	General Fund	State Special Revenue	Federal Special Revenue	Total
Fiscal year 2003 state special revenue in item 3 includes \$6,636,799 of the fund balance from revenue sources not restricted to certain purposes by the Montana constitution. Item 3 includes a reduction in fiscal year 2003 of \$220,488 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140. Item 3a is contingent upon passage and approval of House Bill No. 577 and is for:								
(1) debt service payments or repayment of any loan incurred for the creation of a new information technology system for motor vehicles; or								
(2) payment of costs directly incurred in the creation and support of the new motor vehicle information technology system.								
Item 4 includes a reduction in fiscal year 2003 of \$32,546 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.								
Item 4a is contingent upon passage and approval of Senate Bill No. 358.								
Item 4b is contingent upon passage and approval of House Bill No. 256.								
There is appropriated from the highway patrol retirement clearing account for payments to the Montana highway patrol pension fund the amount required for this transfer, not to exceed \$1,500,000 for each fiscal year.								
Item 5 includes a reduction in fiscal year 2003 of \$200,197 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140. It is the intent of the legislature that the agency not use general fund money in item 5 for the purchase of new or replacement automobiles unless an existing vehicle becomes inoperable to the point at which replacement is warranted.								
Item 6 includes a reduction in fiscal year 2003 of \$60,000 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.								
Item 9 includes a reduction of \$127,892 in fiscal year 2002 and \$128,336 in fiscal year 2003 of general fund money. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans. The office of budget and program planning shall provide a report that details reallocation to the legislative finance committee by October 15 of each fiscal year.								
Item 9 includes a reduction in fiscal year 2003 of \$31,972 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The department may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.								
Item 9 includes a reduction of \$58,505 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 66.67% reduction in the fiscal year 2003 budget for equipment expenses in all divisions of the department except the forensic sciences division. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.								
Item 9 includes a reduction of \$151,846 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the agency. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.								
Item 10 includes a reduction in funding among programs in its fiscal year 2003 of \$40,000 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.								
If Senate Bill No. 328 is not passed and approved, the extradition and transportation of prisoners program will remain in the department of justice as program 30 and there is appropriated \$177,724 of general fund money in fiscal year 2002 and \$178,936 of general fund money in fiscal year 2003. In addition, if Senate Bill No. 328 is not passed and approved, the amendment to the reference copy of [this act] striking the language accompanying the extradition and transportation of prisoners program in the department of justice is void.								
Item 10 includes \$12,000 in general fund money for fiscal year 2002 for lab accreditation. The use of the funds for accreditation is contingent on passage of a federal requirement that a lab needs to be accredited to receive federal funds.								
Item 10a is contingent upon passage and approval of House Bill No. 359.								
PUBLIC SERVICE REGULATION (4201)								
1. Public Service Regulation Program (01)								
0 2,525,654	0	0	2,539,321	0	2,505,912	13,666	0	2,519,578
a. Legislative Audit (Restricted/Biennial)								
0 17,027	0	0	17,027	0	0	0	0	0
b. Consultants (Biennial)								
0 100,000	0	0	100,000	0	0	0	0	0
c. Universal Access Program (Biennial)								
0 683,454	0	0	683,454	0	0	0	0	0
Total	0	3,326,135	13,667	3,339,802	0	2,505,912	13,666	2,519,578
DEPARTMENT OF CORRECTIONS (6401)								
1. Administration and Support Services (01)								
14,797,936	4,321	0	14,869,314	14,076,318	1,358	0	65,181	14,142,857

	Fiscal 2002				Fiscal 2003			
	General Fund	State Special Revenue	Federal Special Revenue	Other	General Fund	State Special Revenue	Federal Special Revenue	Other
0	0	0	0	0	0	150,000	0	0
2. Unemployment Insurance Division (02)								
0	288,653	6,186,716	0	0	0	288,653	6,236,208	0
a. Legislative Audit (Restricted/Biennial)								
0	0	20,506	0	0	0	0	0	0
b. Unemployment Insurance Modified FTE to Permanent (OTO)								
0	0	108,206	0	0	0	0	108,583	0
3. Commissioner's Office/Centralized Services Division (03)								
149,746	530,987	445,678	52,540	0	150,348	536,048	447,421	52,819
a. Legislative Audit (Restricted/Biennial)								
196	3,164	0	0	0	0	0	0	0
4. Employment Relations Division (04)								
886,698	5,815,940	761,902	0	0	880,441	5,849,545	765,250	0
a. Legislative Audit (Restricted/Biennial)								
2,990	14,812	2,660	0	0	0	0	0	0
b. Human Rights Workload (Restricted/OTO)								
21,159	0	0	0	0	21,227	0	0	0
5. Professional and Occupational Licensing (05)								
0	5,272,276	0	0	0	0	5,202,573	0	0
a. Legal Contingency (Restricted/OTO)								
0	70,000	0	0	0	0	70,000	0	0
6. Weights and Measures Bureau (06)								
0	678,238	0	0	0	0	679,843	0	0
a. Legislative Audit (Restricted/Biennial)								
0	1,573	0	0	0	0	0	0	0
7. Montana Community Services (07)								
24,895	28,191	2,964,714	0	0	24,895	28,200	2,966,472	0
a. Legislative Audit (Restricted/Biennial)								
0	0	862	0	0	0	0	0	0
8. Building Codes Bureau (08)								
0	3,278,325	0	0	0	0	3,295,263	0	0
a. Legislative Audit (Restricted/Biennial)								
0	6,427	0	0	0	0	0	0	0
b. Building Codes Vehicle Replacement (OTO)								
0	45,118	0	0	0	0	46,118	0	0
9. Workers' Compensation Court (09)								
0	422,967	0	0	0	0	428,938	0	0
a. Legislative Audit (Restricted/Biennial)								
0	1,034	0	0	0	0	0	0	0
Total								
2,013,602	23,216,890	34,935,134	59,372	0	1,112,895	20,111,293	39,089,240	59,651

It is the intent of the legislature that the rates charged for centralized services functions be agreed to by the United States department of labor federal cost negotiator. It is anticipated that the assessment will be approximately 9% and 10% of a program's actual personal services costs incurred in fiscal year 2002 and fiscal year 2003.

				Fiscal 2002				Fiscal 2003			
General Fund	State Special Revenue	Federal Special Revenue		General Fund	State Special Revenue	Federal Special Revenue		General Fund	State Special Revenue	Federal Special Revenue	
200,334	0	2,020,763	0	2,221,097	0	2,016,840	0	208,550	0	0	0
a. Legislative Audit (Restricted/Biennial)											
931	0	4,446	0	5,377	0	0	0	0	0	0	0
b. Firefighters Retirement (Restricted/Biennial)											
0	0	5,686	0	5,686	0	0	0	0	0	0	0
6. Disaster Coordination Response (21)											
505,769	21,597	1,766,785	0	2,294,151	21,597	1,327,478	0	508,462	0	0	0
a. Legislative Audit (Restricted/Biennial)											
620	0	620	0	1,240	0	0	0	0	0	0	0
b. Disaster and Emergency Services Server Replacement (OTO)											
0	0	0	0	0	0	4,651	0	12,679	0	0	0
7. Veterans' Affairs Program (31)											
689,897	161,513	0	0	851,410	161,614	0	0	685,468	0	0	0
a. Legislative Audit (Restricted/Biennial)											
827	0	0	0	827	0	0	0	0	0	0	0
b. Veterans' Affairs Copier Replacement (OTO)											
4,000	0	0	0	4,000	0	0	0	0	0	0	0
Total											
4,326,105	307,510	9,215,463	0	13,849,078	1,529,251	8,852,179	0	3,008,916	0	0	0
The terrorism/weapons of mass destruction program and the associated 1 FTE are terminated when federal funding for the program is terminated.											
The general fund appropriation in item 2b may be used only for matching funds for Montana residents.											
Item 2b includes a \$1,083,359 reduction in general fund money in fiscal year 2003 for the youth challenge program to be replaced by employment security account state special revenue funds in the amount of \$1,123,240, which are administered by the department of labor and industry. The increased amount includes the House Bill No. 13, Chapter 553, Laws of 2001, allocation.											
Item 4 includes a reduction in general fund money of \$14,018 in fiscal year 2002 and \$14,018 in fiscal year 2003. This reduction is the equivalent of a 13% reduction in fiscal year 2000 base budget travel expenses. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans.											
Item 4 includes a reduction of \$20,312 in fiscal year 2002 and \$20,381 in fiscal year 2003 of general fund money. The department may reallocate this reduction in funding among divisions when developing 2003 biennium operating plans. The office of budget and program planning shall provide a report that details reallocation to the legislative finance committee by October 15 of each fiscal year.											
Item 4 includes a reduction in fiscal year 2003 of \$3,735 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The department may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.											
Item 4 includes a reduction of \$13,389 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 66.67% reduction in the fiscal year 2003 budget for equipment expenses. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.											
Item 4 includes a reduction of \$30,210 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the agency. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.											
Item 5b is contingent upon passage and approval of Senate Bill No. 289.											
TOTAL SECTION D											
128,193,320	51,415,765	59,233,353	1,278,666	0	240,121,104	119,083,135	54,660,213	62,909,659	1,279,869	0	237,932,876

Fiscal 2002						Fiscal 2003					
General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
OFFICE OF SUPERINTENDENT OF PUBLIC INSTRUCTION (3501)											
1. OPI Administration (06)											
4,328,810	181,100	0	73,133	0	4,583,043	4,165,820	181,178	0	73,133	0	4,420,131
a. Advanced Placement Administration (OTO)											
0	0	27,557	0	0	27,557	0	0	39,841	0	0	39,841
b. Emergency Renovation (OTO)											
0	0	54,837	0	0	54,837	0	0	54,837	0	0	54,837
c. Federal Funds (Biennial)											
0	0	7,537,147	0	0	7,537,147	0	0	7,548,601	0	0	7,548,601
d. National Board Certification Stipends											
30,000	0	0	0	0	30,000	3,000	0	0	0	0	3,000
2. Distribution to Public Schools (09)											
0	0	82,994,320	0	0	82,994,320	0	0	84,576,071	0	0	84,576,071
a. BASE Aid (Restricted/Biennial)											
440,776,000	0	0	0	0	440,776,000	443,890,000	0	0	0	0	443,890,000
b. Special Education (Restricted/Biennial)											
33,899,850	0	0	0	0	33,899,850	34,916,846	0	0	0	0	34,916,846
c. Transportation Aid (Restricted/Biennial)											
10,787,993	0	0	0	0	10,787,993	10,499,459	0	0	0	0	10,499,459
d. School Facility Reimbursement (Restricted/Biennial)											
4,350,000	0	0	0	0	4,350,000	4,450,000	0	0	0	0	4,450,000
e. Instate Treatment (Biennial)											
974,897	0	0	0	0	974,897	974,897	0	0	0	0	974,897
f. Secondary Vocational Education (Biennial)											
715,000	0	0	0	0	715,000	715,000	0	0	0	0	715,000
g. Adult Basic Education (Biennial)											
275,000	0	0	0	0	275,000	275,000	0	0	0	0	275,000
h. Gifted and Talented (Biennial)											
150,000	0	0	0	0	150,000	150,000	0	0	0	0	150,000
i. School Food (Biennial)											
648,653	0	0	0	0	648,653	648,653	0	0	0	0	648,653
j. School District Audits (Biennial)											
145,025	0	0	0	0	145,025	149,425	0	0	0	0	149,425
k. Traffic Safety Distribution											
0	750,000	0	0	0	750,000	0	750,000	0	0	0	750,000
l. Reduced Class Size (Biennial)											
0	0	7,605,780	0	0	7,605,780	0	0	9,492,523	0	0	9,492,523
m. Advanced Placement Incentive (Biennial)											
0	0	194,900	0	0	194,900	0	0	238,600	0	0	238,600
n. Comprehensive School Reform (Biennial)											
0	0	963,061	0	0	963,061	0	0	963,061	0	0	963,061
o. Emergency School Renovation (Biennial)											
0	0	5,428,913	0	0	5,428,913	0	0	5,428,913	0	0	5,428,913

E. EDUCATION

	Fiscal 2002				Fiscal 2003			
	General Fund	State Special Revenue	Federal Special Revenue	Total	General Fund	State Special Revenue	Federal Special Revenue	Total
p. SB 390 — Transfer to School Flexibility Account (Restricted/Biennial/OTO)								
0	0	0	0	0	2,200,000	0	0	2,200,000
q. School Flexibility Account (Restricted/Biennial/OTO)								
0	0	0	0	0	4,300,000	0	0	4,300,000
Total								
497,081,228	931,100	104,806,515	73,133	602,891,976	503,038,100	5,231,178	108,342,447	616,684,858

It is the intent of the legislature that the advanced driver education program be funded through a proprietary account.

Item 1 includes a reduction in general fund money of \$19,069 in fiscal year 2002 and \$19,069 in fiscal year 2003. This reduction is the equivalent of a 13.5% reduction in fiscal 2000 base budget travel expenses.

Item 1 includes a reduction of \$24,236 in fiscal year 2002 and \$24,322 in fiscal year 2003 of general fund money. The office may reallocate this reduction in funding among programs when developing 2003 biennium operating plans. The office of budget and program planning shall provide a report that details reallocation to the legislative finance committee by October 15 of each fiscal year.

Item 1 includes \$37,500 of general fund money in fiscal year 2002 and \$12,500 of general fund money in fiscal year 2003 that are contingent upon passage and approval of House Bill No. 124.

Item 1 includes a reduction in fiscal year 2003 of \$4,104 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The office may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.

Item 1 includes a reduction of \$25,067 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 66.67% reduction in the fiscal year 2003 budget for equipment expenses. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 1 includes a reduction in fiscal year 2003 of \$128,896 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.

Item 1c is a biennial appropriation.

Item 1d is to provide up to 10 teachers each fiscal year who obtain certification by the national board for professional teaching standards with a one-time stipend of \$3,000.

Item 1d includes a reduction in fiscal year 2003 of \$27,000 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.

Items 2a through 2j and items 2l through 2o are biennial appropriations.

Item 2a is reduced to \$392,189,000 in general fund money only if both House Bill No. 4 and House Bill No. 7, August 2002 Special Session, are passed an approved. If only House Bill No. 7 is passed and approved, item 2a is reduced to \$395,089,000 in general fund money.

Item 2c includes a reduction in fiscal year 2003 of \$388,534 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.

Item 2d includes a reduction in fiscal year 2003 of \$250,000 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.

Money deposited in the general fund for fiscal year 2001 under 20-9-343(3)(a)(ii) must be transferred to the school technology account in the state special revenue fund in fiscal year 2002.

If House Bill No. 41 is not passed and approved in the form that statutorily appropriates timber harvest funds to schools for technology acquisitions, there is a restricted, biennial general fund appropriation of \$1,250,000 in fiscal year 2002 and \$1,600,000 in fiscal year 2003. In addition, if House Bill No. 41 is not passed and approved, the amendment to the reference copy of [this act] striking the language accompanying the timber harvest appropriation and inserting language is void.

The office of public instruction may distribute funds from the appropriation in item 2e to public school districts for the purpose of providing educational costs of children with significant behavioral or physical needs.

If Senate Bill No. 495 is enjoined before April 1, 2002, items 2p and 2q are void.

Item 2p includes a reduction in fiscal year 2003 of \$184,000 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.

It is the intent of the legislature that \$200,000 in item 2q be used to pay for costs that would otherwise be incurred by districts to meet the board of public education student testing requirements.

Any cash balance remaining in the school flexibility account must be transferred to the general fund by June 30, 2003.

BOARD OF PUBLIC EDUCATION (5101)

1. Administration (01)								
170,125	12,041	0	0	182,166	168,192	12,041	0	180,233
a. Legislative Audit (Restricted/Biennial)								
1,703	0	0	0	1,703	0	0	0	0

	Fiscal 2002			Fiscal 2003		
	General Fund	State Special Revenue	Federal Special Revenue	General Fund	State Special Revenue	Federal Special Revenue
19,460	0	0	0	19,460	0	0
Total	333,489	140,829	477,500	951,818	137,416	477,500
All federal funds in item 1 are biennial appropriations.						
Item 1 includes a reduction in general fund money of \$1,132 in fiscal year 2002 and \$1,132 in fiscal year 2003. This reduction is the equivalent of a 16% reduction in fiscal year 2000 base budget travel expenses.						
Item 1 includes a reduction in fiscal year 2003 of \$507 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002.						
Item 1 includes a reduction of \$3,025 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the Montana arts council.						
MONTANA STATE LIBRARY COMMISSION (5115)						
1. State Library Operations (01)						
1,790,071	177,710	1,200,694	0	3,168,475	117,614	750,694
a. Legislative Audit (Restricted/Biennial)						
17,027	0	0	0	17,027	0	0
b. Periodical Electronic Database (OTO)						
82,500	117,500	0	0	200,000	117,500	0
2. Natural Resources Information System (07)						
84,838	470,348	30,000	0	585,186	495,341	30,000
a. Stable Natural Resources Information System Funding (OTO)						
4,513	140,487	0	0	145,000	115,487	0
b. Legislative Contract Authority (Biennial/OTO)						
0	25,000	475,000	0	500,000	0	0
Total	1,978,949	931,045	1,705,694	4,615,688	845,942	780,694

Item 1 includes biennial appropriations of \$251,138 in general fund money and \$889,102 in federal funds for grants to local libraries.

Item 1 includes a reduction in general fund money of \$4,561 in fiscal year 2002 and \$4,561 in fiscal year 2003. This reduction is the equivalent of a 16% reduction in fiscal year 2000 base budget travel expenses. The commission may reallocate this reduction in funding between programs when developing 2003 biennium operating plans.

Item 1 includes a reduction in fiscal year 2003 of \$3,868 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The commission may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.

Item 1 includes a reduction of \$60,096 in state special revenue, which is contingent upon passage and approval of House Bill No. 10, August 2002 Special Session.

Item 1 includes a reduction of \$17,071 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the commission. The commission may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 2b includes \$500,000 for legislative contract authority as a biennial appropriation, subject to the following provisions:

- (1) Legislative contract authority applies only to state special revenue funds received from the Montana university system, federal funds, and private funds.
 - (2) Legislative contract authority expenditures must be reported on the state accounting system. The records must be separate from present law operations. In preparing the 2005 biennium budget for legislative consideration, the office of budget and program planning may not include the expenditures from this item in the present law base.
 - (3) A report must be submitted by the state library commission to the legislative fiscal division following the end of each fiscal year of the biennium. The report must include a listing of projects with the related amount of expenditures for each project.
 - (4) Legislative contract authority may be transferred between state and federal special revenue, depending upon the contract received by the Montana state library.
- MONTANA HISTORICAL SOCIETY (5117)
1. Administration Program (01)

	Fiscal 2002			Fiscal 2003			
	General Fund	State Special Revenue	Federal Special Revenue	General Fund	State Special Revenue	Federal Special Revenue	Total
796,224	217,473	56,796	70,000	774,822	212,116	57,616	1,114,554
a. Legislative Audit (Restricted/Biennial)							
26,757	0	0	0	0	0	0	0
b. Lewis and Clark Bicentennial (OTO)							
31,847	0	0	0	31,715	0	0	31,715
2. Library Program (02)							
585,836	2,808	0	59,447	588,810	2,808	0	651,136
a. Equipment to Read and Print Microfilm (Biennial/OTO)							
6,000	0	0	0	0	0	0	0
3. Museum Program (03)							
282,182	251,533	0	7,618	284,383	253,151	0	545,152
4. Publications (04)							
53,652	0	0	710,135	53,652	0	0	765,298
5. Historical Sites Preservation (06)							
47,381	0	805,481	0	44,451	0	807,864	852,315
6. Lewis and Clark Bicentennial (08)							
a. Grant Funding (Restricted)							
0	100,000	0	0	0	100,000	0	100,000
Total	1,829,879	571,814	862,277	847,200	4,111,170	1,777,833	568,075

Item 1 includes a reduction in general fund money of \$5,278 in fiscal year 2002 and \$5,278 in fiscal year 2003. This is a reduction in travel funding. The agency may reallocate this reduction in funding among programs when developing 2003 biennium operating plans.

Item 1 includes a reduction of \$9,453 in fiscal year 2002 and \$9,483 in fiscal year 2003 of general fund money. The society may reallocate this reduction in funding among programs when developing 2003 biennium operating plans. The office of budget and program planning shall provide a report that details reallocation to the legislative finance committee by October 15 of each fiscal year.

Item 1 includes a reduction in fiscal year 2003 of \$2,421 in general fund money and represents the equivalent of 25% of office supplies expenditures funded with general fund money in fiscal year 2002. The society may reallocate this reduction in funding among programs when developing fiscal year 2003 operating plans.

Item 1 includes a reduction of \$5,297 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 66.67% reduction in the fiscal year 2003 budget for equipment expenses. The agency may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

Item 1 includes a reduction of \$18,033 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 budget for the society. The society may reallocate this reduction in funding among programs in its fiscal year 2003 operating plans.

The legislative intent of item 2a is to acquire equipment based on the newest available technology within the available funding limit at the time of purchase.

It is the intent of the legislature that the department of commerce use lodging facility use taxes to fund \$515,961 in fiscal year 2002 and \$511,677 in fiscal year 2003 for the Montana historical society. This would be expended as follows:

	2002	2003
Lewis and Clark Bicentennial	\$116,477	\$111,124
Scriver Curator	28,484	25,553
Scriver Rent Storage	96,000	100,000
Lewis and Clark Bicentennial Commission	200,000	200,000
Historical Interpretation	75,000	75,000
MONTANA UNIVERSITY SYSTEM, INCLUDING OFFICE OF THE COMMISSIONER OF HIGHER EDUCATION AND EDUCATIONAL UNITS AND AGENCIES (5100)		
1. OCHE — Administration (01)	0	0
1,228,557	0	1,228,557

Fiscal 2002						Fiscal 2003					
General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total	General Fund	State Special Revenue	Federal Special Revenue	Proprietary	Other	Total
a. Legislative Audit (Restricted/Biennial)											
35,514	0	0	0	0	35,514	0	0	0	0	0	0
2. OCHE — Student Assistance (02)											
8,299,390	0	151,531	0	0	8,450,921	8,332,791	0	151,531	0	0	8,484,322
3. OCHE — Dwight D. Eisenhower Mathematics and Science Education Act (03)											
0	0	312,744	0	0	312,744	0	0	312,744	0	0	312,744
4. OCHE — Community College Assistance (04) (Biennial)											
5,651,748	0	0	0	0	5,651,748	5,410,220	0	0	0	0	5,410,220
a. Legislative Audit (Restricted/Biennial)											
33,920	0	0	0	0	33,920	0	0	0	0	0	0
5. OCHE — Talent Search (06)											
92,846	0	2,993,405	0	0	3,086,251	89,346	0	3,129,072	0	0	3,218,418
6. OCHE — C.D. Perkins Administration (08)											
78,748	0	7,765,831	0	0	7,844,579	78,746	0	6,125,761	0	0	6,204,507
7. OCHE — Appropriation Distribution Transfers (09)											
99,801,741	12,232,248	0	0	0	112,033,989	91,174,717	12,400,460	0	0	0	103,575,177
a. Legislative Audit (Restricted/Biennial)											
228,503	0	0	0	0	228,503	0	0	0	0	0	0
b. Increase State Support \$100 per Resident Student per Year											
2,500,000	0	0	0	0	2,500,000	5,000,000	0	0	0	0	5,000,000
c. Agricultural Experiment Station (Restricted)											
9,830,460	0	0	0	0	9,830,460	9,244,354	0	0	0	0	9,244,354
d. Institute for Biobased Products and Food Science											
200,000	0	0	0	0	200,000	200,000	0	0	0	0	200,000
e. Extension Service (Restricted)											
4,087,026	0	0	0	0	4,087,026	3,895,356	0	0	0	0	3,895,356
f. Montana Beef Network (Restricted/Biennial/OTO)											
90,000	0	0	0	0	90,000	90,000	0	0	0	0	90,000
g. Forestry and Conservation Experiment Station (Restricted)											
897,428	0	0	0	0	897,428	857,776	0	0	0	0	857,776
h. Bureau of Mines and Geology (Restricted)											
1,533,807	600,000	0	0	0	2,133,807	1,462,375	666,000	0	0	0	2,128,375
i. Fire Services Training School (Restricted)											
497,630	0	0	0	0	497,630	483,133	0	0	0	0	483,133
j. Flathead Lake Biological Station — University of Montana-Missoula (Restricted/Biennial/OTO)											
100,000	0	0	0	0	100,000	96,500	0	0	0	0	96,500
8. Tribal College Assistance Program (11) (Biennial)											
96,500	0	0	0	0	96,500	0	0	0	0	0	0
9. OCHE — Guaranteed Student Loan (12)											
0	0	34,668,909	0	0	34,668,909	0	0	37,372,404	0	0	37,372,404
a. Legislative Audit (Restricted/Biennial)											
0	0	4,379	0	0	4,379	0	0	4,378	0	0	4,378
10. OCHE — Board of Regents (13)											
43,631	0	0	0	0	43,631	43,631	0	0	0	0	43,631

Fiscal 2002			Fiscal 2003			
General Fund	State Special Revenue	Federal Special Revenue	General Fund	State Special Revenue	Federal Special Revenue	Total
					Proprietary	Other

Item 7 includes a total of \$44,253 of general fund money for the 2003 biennium for the Montana natural resources information system (NRIS). The Montana university system shall pay an additional \$44,253 for the 2003 biennium in current funds in support of NRIS. Quarterly payments must be made upon receipt of the bills from the state library, up to the total amount appropriated.

Item 7 includes increases of \$194,088 of general fund money in fiscal year 2002 and of \$194,088 of general fund money in fiscal year 2003 and reductions of \$194,088 of state special revenue in fiscal year 2002 and of \$194,088 of state special revenue in fiscal year 2003 that are contingent upon passage and approval of House Bill No. 124.

Item 7 includes a reduction of \$3.4 million in fiscal year 2003 of general fund money. Although the legislature acknowledges the constitutional power of the board of regents to manage and control the Montana university system, it is the intent of the legislature that state support of intercollegiate athletics be reduced and that replacement funding, if desired, be from nonstate sources.

Item 7 includes a reduction in fiscal year 2003 of \$149,466 in general fund money and represents the equivalent of 25% of state-funded office supplies expenditures in fiscal year 2002.

Item 7 includes a reduction of \$1,054,130 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 1% reduction in the fiscal year 2003 appropriation for the unit.

Item 7 includes a reduction in fiscal year 2003 of \$4,076,955 in general fund money and represents the reductions ordered by the governor pursuant to 17-7-140.

Total audit costs are estimated to be \$681,092 for the university system other than the office of the commissioner of higher education. Each unit shall pay a percentage of these costs from funds other than those appropriated in item 7a.

Item 7b is intended by the legislature to be used to increase state support for resident student FTE at the university units each year of the 2003 biennium.

University system unit is defined in 17-7-102(13). For all university system units, except the office of the commissioner of higher education, all funds (other than plant funds appropriated in House Bills No. 5 and 14, relating to long-range building, and current unrestricted operating funds) are appropriated contingent on approval of the comprehensive program budget by the board of regents by October 1 of each year. For all university system 4-year units and colleges of technology, all funds, other than funds appropriated in House Bills No. 5 and 14 for long-range building programs, are appropriated as a lump sum for the biennium contingent upon approval of the comprehensive program budget by the board of regents by October 1 of each year. The board of regents shall allocate the appropriations to the individual units according to board policy. The budget must contain detailed revenue and expenditure and anticipated fund balances of current funds, loan funds, endowment funds, and plant funds. After the board of regents approves operating budgets, transfers between units may be made only with the approval of the board of regents. Transfers and related justifications must be submitted to the office of budget and program planning and to the legislative fiscal analyst.

All university system units, except the office of the commissioner of higher education, shall account for expenditures consistently within programs and funds across all units and shall use the standards of accounting and reporting, as described by the national college and university business officers, as a minimum for achieving consistency.

The Montana university system, except the office of the commissioner of higher education and the community colleges, shall allow the office of budget and program planning and the legislative fiscal division banner access to the entire university system's banner information system, including data warehouses, except:

- (1) the ability to change data;
- (2) portions of the banner information system that are the property of third parties (such as alumni associations or foundations); and
- (3) information pertaining to individual students or individual employees that is protected by Article II, sections 9 and 10, of the Montana constitution, 20-25-515, or the Family Educational Rights and Privacy Act of 1974, 20 U.S.C. 1232g.

Subsections (1) through (3) in no way limit the power of the legislative fiscal analyst or the budget director to receive and examine copies of any state government information, including confidential records, in accordance with 5-12-303 and 17-1-132.

All financial data recorded in the various funds in banner must agree with the financial data as recorded on the statewide accounting, budgeting, and human resources system (SABHRS), including:

- (1) all statutory and restricted appropriations must be clearly segregated on SABHRS; and
- (2) the budgeted personal services for current unrestricted operating funds on banner must tie to the operating plan for expenditure of funds appropriated in [this act] and other bills, as approved by the board of regents.

The Montana university system shall provide the electronic data required to upload human resource data for the current unrestricted operating funds into the MBARS system. The salary and benefit data provided must reflect approved board of regents operating budgets.

Revenue appropriated to the agricultural experiment station includes:

- (1) state special revenue from interest earnings and other revenue of \$184,239 in fiscal year 2002 and \$184,705 in fiscal year 2003;
- (2) federal revenue of \$2,022,369 in fiscal year 2002 and \$2,030,499 in fiscal year 2003; and
- (3) proprietary revenue from sales of \$937,627 in fiscal year 2002 and \$942,135 in fiscal year 2003. These amounts are appropriated for current unrestricted operating expenses and are in addition to the funds shown in item 7c.

Item 7c includes a reduction in fiscal year 2003 of \$17,548 in general fund money and represents the equivalent of 25% of state-funded office supplies expenditures in fiscal year 2002.

Item 7c includes a reduction of \$124,432 in fiscal year 2003 of general fund money. This reduction is the equivalent of a 66.67% reduction in the state portion of fiscal year 2002 equipment expenditures.

Section 17. Rates. Internal service fund type fees and charges established by the legislature for the 2003 biennium in compliance with 17-7-123(6)(b) are as follows:

	<u>Fiscal Year 2002</u>	<u>Fiscal Year 2003</u>
Secretary of State - 3201		
1. Administrative Rules of Montana Fees		
a. Administrative Rules of Montana (per set)	\$350.00	\$350.00
b. Quarterly Updates of ARM (per year)	\$250.00	\$250.00
c. Extra Titles (per book)	\$50.00	\$50.00
d. Quarterly Updates of Extra Titles (per year per title)	\$50.00	\$50.00
e. Montana Administrative Register (per subscription)	\$300.00	\$300.00
f. Agency Filing Fee for Pages of Register Publication (per page)	\$40.00	\$40.00
g. Binders (per binder)	\$5.00	\$5.00
h. Lapsed Subscription Fee ARM (per subscription)	\$50.00	\$50.00
i. Lapsed Subscription Fee Extra Title (per title)	\$10.00	\$10.00
j. Fax Fee - 10 Pages or Less (first 10 pages)	\$3.00	\$3.00
k. Fax Fee - Additional Pages Over 10 Pages (per page)	\$0.25	\$0.25
l. Research Fee (per hour)	\$12.00	\$12.00
m. Set Cleanup Fee (per hour)	\$12.00	\$12.00
n. Missing Page Fee (per page up to cost of set)	\$0.50	\$0.50
o. Rule Edit Fee (per hour)	\$15.00	\$15.00
p. Late Filing Fee (less than 2 hours) (per occurrence)	\$5.00	\$5.00
q. Late Filing Fee (2 hours to 4 hours) (per occurrence)	\$10.00	\$10.00
r. Late Filing Fee (more than 4 hours) (per occurrence)	\$25.00	\$25.00
2. Records Management Fees (based on 2-6-203)		
a. 16MM Microfilm		
Less than 250,000	\$38.58	\$38.58
Nontypical extreme weight and size	\$38.58	\$38.58
8" x 11"; 8" x 14" paperwork	\$30.00	\$30.00
8" x 11"; 8" x 14" computer printout	\$30.00	\$30.00
Extreme size and weight variance	\$31.50	\$31.50
Cards - fixed weight and color	\$15.75	\$15.75
Cards - mixed weight and color	\$26.25	\$26.25
b. 35MM Microfilm		
L (per 12" x 12") aerial photos	\$68.25	\$68.25
16" x 20" bound books	\$63.00	\$63.00
24" x 34" newspapers	\$115.50	\$115.50
24" x 34" bound newspapers	\$136.50	\$136.50
48" x 48" blueprints/maps	\$288.75	\$288.75
c. 105MM Microfilm		
8" x 11" paperwork	\$68.25	\$68.25
8" x 11"; 8" x 14" computer printout	\$77.17	\$77.17
Cards (per 1,000)	\$77.17	\$77.17
Minimum filing charge	\$37.50	\$37.50
d. Film Processing		
16mm, 100 foot roll	\$3.62	\$3.62
16mm, 215 foot roll	\$7.10	\$7.10
35mm, 100 foot roll	\$6.35	\$6.35
16mm, 3M cartridges	\$4.73	\$4.73
e. Film Inspecting		
100 foot roll inspection (per roll)	\$3.65	\$3.65
215 foot roll inspection (per roll)	\$5.23	\$5.23
Film splicing	\$0.79	\$0.79
3M cartridge loading	\$2.25	\$2.25

f. Duplication		
16mm, 100 foot roll (per roll)	\$6.81	\$6.81
16mm, 215 foot roll (per roll)	\$13.03	\$13.03
35mm, 100 foot roll (per roll)	\$9.21	\$9.21
105mm, microfiche or jackets	\$0.16	\$0.16
Reader/printer copies	\$0.50	\$0.50
Photocopies/own labor	\$0.10	\$0.10
Photocopies/our labor	\$0.50	\$0.50
16mm, 100 foot roll (per roll)	\$9.92	\$9.92
35mm, 100 foot roll (per roll)	\$14.54	\$14.54
g. Jacket Loading		
16mm, 5 channel jacket	\$0.3150	\$0.3150
Agency's own jacket	\$0.2887	\$0.2887
35mm, 1 and 2 channel jacket	\$0.3150	\$0.3150
Loading 16mm aperture card	\$0.2625	\$0.2625
Jacket title	\$0.2625	\$0.2625
Jacket notching	\$0.0525	\$0.0525
h. Miscellaneous		
Fiche title (per title)	\$0.2625	\$0.2625
Indexing and document prep/hour (per hour)	\$18.00	\$18.00
Camera rental (per day)	\$95.00	\$95.00
i. Supplies		
NMI reader bulbs (per bulb)	\$10.75	\$10.75
16mm, 100 foot roll film (per roll)	\$6.68	\$6.68
16mm, 215 foot roll film (per roll)	\$12.95	\$12.95
35mm, 100 foot roll film (per roll)	\$13.95	\$13.95
j. Records Center Services		
Storage (per square foot per month)	\$0.2565	\$0.2565
Storage (per cubic foot per month)	\$0.295	\$0.295
Retrievals (per occurrence)	\$1.50	\$1.50
Emergency retrievals (per occurrence)	\$6.25	\$6.25
Large retrievals, delivery, interfiling (per occurrence)	\$22.50	\$22.50
Records disposal (per hour)	\$22.50	\$22.50
Shredding confidential records (per hour)	\$23.05	\$23.05
k. Records Center Boxes		
Records storage boxes: standard size A (per box)	\$1.34	\$1.34
Drawing and map storage boxes: size C (per box)	\$1.34	\$1.34
l. Imaging Services		
Imaging (per image)	\$0.055	\$0.055
Indexing and document preparation (per hour)	\$18.00	\$18.00
Department of Transportation - 5401		
1. State Motor Pool		
a. Class 02 (small utilities)		
per hour assigned	\$1.597	\$1.600
per mile operated	\$0.022	\$0.022
b. Class 04 (large utilities)		
per hour assigned	\$2.116	\$2.335
per mile operated	\$0.056	\$0.056
c. Class 06 (passenger cars)		
per hour assigned	\$1.501	\$1.643
per mile operated	\$0.054	\$0.054
d. Class 07 (small and standard size pickups)		
per hour assigned	\$1.270	\$1.260
per mile operated	\$0.030	\$0.030

e. Class 11 (large 4X4 pickups)		
per hour assigned	\$1.832	\$2.334
per mile operated	\$0.056	\$0.056
f. Class 12 (vans)		
per hour assigned	\$1.449	\$1.632
per mile operated	\$0.071	\$0.071
2. Equipment Program		
a. 60-Day Working Capital		
Department of Revenue - 5801		
1. Customer Service Center		
a. Delinquent Account Collection Fee (percent of amount collected)	10.0%	10.0%
Department of Administration - 6101		
1. Accounting and Management Support		
a. Legal Services Unit	Share (percent) of Total Revenue Each Program or Division Will Pay	
Teachers' Retirement	20%	20%
Employee Benefits Program	26%	26%
Risk Management and Tort Defense	2%	2%
General Services Division	7%	7%
Architecture and Engineering	18%	18%
Information Services Division	27%	27%
Total	100%	100%
b. Network Support Unit		
Programming cost	60-day working capital reserve	
Computer support (per computer)	\$714	\$732
Server support (per server)	\$1,072	\$1,098
c. Warrant Writing (per warrant)		
Mailer warrants	\$0.6170	\$0.6145
Nonmailers	\$0.2080	\$0.2055
Emergency warrant	\$4.1329	\$4.1320
Duplicate warrant	\$5.6632	\$5.6624
Direct deposits	\$0.1671	\$0.1660
Externals - printed from an outside system	\$0.1850	\$0.1825
d. Personnel Unit		
Allocation to supported divisions (per FTE basis)	\$88,262	\$92,691
e. SB 445 Indirect Costs - The department is authorized to spend up to \$294,208 in fiscal year 2002 and \$296,509 in fiscal year 2003 (proprietary funds) to implement the reorganization specified in Senate Bill No. 445.		
2. Procurement and Printing		
a. Publications and Graphics	60-day working capital reserve	
b. Central Stores	60-day working capital reserve	
c. Natural Gas Procurement	break-even (no reserve)	
d. Statewide Fueling Network (percent of gross purchases)	5.0%	5.0%
e. Statewide Procurement Card Program (per card)	\$1.00	\$1.00
3. Information Services Division		
a. Data Network Fee (per connected terminal per month)	\$72.60	\$72.60
b. Statewide Accounting, Budgeting, and Human Resources System (SABHRS) Allocation to Agencies	\$4,168,460	\$4,211,734
c. All Remaining Operations of the Division	45-day working capital reserve	
4. General Services Division		
a. Office Space Rent (per square foot)	\$4.77	\$4.88
b. Warehouse Space Rent (per square foot)	\$2.12	\$2.12

5. Mail and Distribution Bureau		
a. Interagency Mail (total amount allocated to agencies)	\$171,655	\$171,655
b. All Other Operations Except for Interagency Mail	60-day working capital reserve	
6. State Personnel Division		
a. Intergovernmental Training (per hour)	\$113	\$113
b. State Payroll Unit (total amount allocated to agencies)	\$356,958	\$366,248
c. Employee Benefits Program - Because state employee benefit plans require a large number of individual premiums for a variety of benefit options, because the portion of the premiums paid by the state is statutorily established in 2-18-703, and because the employee-paid portion of these premiums must be adjusted from time to time to meet the requirements of 2-18-812(1) to maintain state employee group benefit plans on an actuarially sound basis, the legislature defines "rates and fees" for state employee benefit programs to mean the state contribution toward employee group benefits provided for in 2-18-703 and the employee contribution toward employee group benefits necessary to meet the requirements of 2-18-812(1).		
7. Risk Management and Tort Defense		
a. General Liability (total allocation to agencies)	\$5,362,500	\$5,775,000
b. Automobile Liability (total allocation to agencies)	\$1,137,500	\$1,225,000
c. Property (total allocation to agencies)	\$1,200,500	\$1,270,930
d. Airport/Aircraft (total allocation to agencies)	\$116,567	\$128,222
e. All Other Lines (total allocation to agencies)	\$239,413	\$258,508
Fish, Wildlife & Parks - 5201		
1. Administration and Finance (% markup)		
a. Warehouse Overhead	14%	14%
2. Vehicle Account Rates Per Mile		
a. Sedans	\$0.20	\$0.24
b. Suburban - 4x4	\$0.33	\$0.35
c. Vans 1/2 Ton	\$0.18	\$0.21
d. Vans 1/2 Ton Window	\$0.27	\$0.32
e. Pickup 1/2 Ton 2x4	\$0.33	\$0.34
f. Pickup 3/4 Ton 4x4 V8	\$0.20	\$0.22
g. Grounds Maintenance	\$0.75	\$0.85
h. Bronco 4x4	\$0.24	\$0.28
i. Pickup 1/2 Ton 4x4	\$0.27	\$0.34
j. Pickup 3/4 Ton 4x4 HD	\$0.30	\$0.35
k. Pickup 3/4 Ton 4x4 HD XC	\$0.35	\$0.38
l. Pickup 1 Ton 4x4	\$0.33	\$0.37
m. Pickup 3/4 Ton 4x4 MD	\$0.24	\$0.27
n. Pickup 3/4 Ton 4x4 MD XC	\$0.29	\$0.33
o. Pickup 1/2 Ton 4x4 LD XC	\$0.29	\$0.33
3. Aircraft Per Hour Rates		
a. Two-Place Single Engine	\$ 54.02	\$ 56.72
b. Partnavia	\$257.24	\$270.10
c. Turbine Helicopters	\$313.58	\$329.26
4. Parks – Capitol Grounds Maintenance	\$0.3696/sq. ft.	\$0.3696/sq. ft.
5. Duplicating – Number of Copies (includes paper)		
a. 1-20	\$0.045	\$0.050
b. 21-100	\$0.030	\$0.035
c. 101-1000	\$0.025	\$0.030
d. 1001-5000	\$0.020	\$0.025
6. Bindery		
a. Collating (per sheet)	\$0.005	\$0.005
b. Hand Stapling (per set)	\$0.015	\$0.015

c. Saddle Stitch (per set)	\$0.030	\$0.030
d. Folding (per sheet)	\$0.005	\$0.005
e. Punching (per sheet)	\$0.001	\$0.001
f. Cutting (per minute)	\$0.550	\$0.550
Department of Environmental Quality - 5301		
1. Central Management		
a. Expenses Against Personal Services	24%	24%
Department of Natural Resources and Conservation - 5706		
1. Air Operations Program		
a. Fixed Wing	\$95	\$95
b. Bell 206A Helicopter	\$355	\$355
c. UH-1 Huey Helicopter	\$875	\$875
Department of Commerce - 6501		
1. Local Government Services Bureau		
a. Local Government Assistance Administration Recharge	1.70%	1.70%
2. Board of Investments		
For purposes of [this act], the legislature defines "rates" as the total collections necessary to operate the board of investments as follows:		
a. Administration Charge (total)	\$2,860,200	\$2,805,200
3. Director's Office/Management Services		
a. Management Services Indirect Charge Rate	15.50%	15.50%
Department of Justice - 4110		
1. Agency Legal Services		
a. Attorney (per hour)	\$70	\$70
b. Investigator/Paralegal (per hour)	\$38	\$38
Department of Corrections - 6401		
1. Secure Facilities		
a. Cook/chill rate to MSP	\$1.80/meal	\$1.78/meal
b. Cook/chill rate to MSH	\$1.83/meal	\$1.82/meal
c. Cook/chill rate to TSCTC	\$1.83/meal	\$1.81/meal
d. Cook/chill rate to Riverside	\$2.79/meal	\$2.86/meal
e. Cook/chill rate to DUI facility	\$1.86/meal	\$1.84/meal
f. Cook/chill rate to Helena prerelease	\$2.43/meal	\$2.47/meal
2. Montana Corrections Enterprises		
a. Laundry rate to MSP	\$0.39/lb	\$0.39/lb
b. Laundry rate to MSH	\$0.38/lb	\$0.38/lb
c. Laundry rate to MDC	\$0.46/lb	\$0.46/lb
Department of Labor and Industry - 6602		
1. Centralized Services Division		
a. Cost Allocation Plan	9.44%	10.14%
2. Professional and Occupational Licensing		
a. House Bill No. 2 Programs Recharge Rate	38%	38%
Office of Public Instruction - 3501		
1. OPI Indirect Cost Pool	17%	17%
2. Advanced Driver Education		
a. Workshop Fees		
Full-day workshop/person	\$175.00 - \$200.00	
Half-day refresher/person	\$115.00 - \$125.00	
b. Facility Usage Fees		
Montana state government/day	\$85.00	
High school driver education		
Per year when track not in use	\$500.00	
Per day after hours and not in use	\$25.00	
Private nonprofit/day	\$200.00	
Commercial use/day	\$1,500.00 - \$2,000.00	

MONTANA UNIVERSITY SYSTEM - 5100

Because certain employee benefit plans require a large number of individual premiums for a variety of benefit options, because the portion of these premiums paid by the state is statutorily established in 2-18-703, and because the employee-paid portion of these premiums must be adjusted from time to time to maintain employee group benefit plans on an actuarially sound basis, the legislature defines rates and fees for Montana university system employee benefit programs to mean the state contribution toward employee group benefits provided for in 2-18-703 and the employee contribution toward employee group benefits necessary to maintain the employee group benefit plans on an actuarially sound basis.”

Section 2. Effective date. *[This act] is effective on passage and approval.””*

Section 2. Effective date — retroactive applicability. [This act] is effective on passage and approval and applies retroactively, within the meaning of 1-2-109, to August 26, 2002.

Approved September 13, 2002

SESSION LAW TO CODE

Ch. Sec. MCA

- 1 1 Ch. 23, Sp. L. August 2002
- 2 Effective date — retroactive applicability

SESSION LAWS AFFECTED

<u>Laws Affected</u>	<u>Action</u>	<u>Chapter</u>	<u>Bill #</u>
Special Laws of August 2002			
Ch. 23	amended	Ch. 1	HB 1

GENERAL INDEX

AUGUST 2002 AND SEPTEMBER 2002 SPECIAL SESSIONS

GENERAL INDEX

Note: Index entries refer to bill number(s), session law chapter number(s), and MCA section number(s) as appropriate

ADMINISTRATION, DEPARTMENT OF

- Capital projects appropriation, reduction, HB 10; Ch. 12, Sp. L. August 2002
- Cigarette sales tax revenue, contract with board of investments pledging repayment of amount transferred from coal severance tax trust fund, SB 29
- Director, appointment — senate concurrence, SR 4; SR 4, Sp. L. August 2002
- Federal or private contracts and grants, indirect cost provisions — technical assistance, HB 21; Ch. 14, Sp. L. August 2002; 17-3-111
- General appropriation, revision, HB 2; Ch. 23, Sp. L. August 2002
- Lottery, state — general appropriation, revision, HB 2; Ch. 23, Sp. L. August 2002

AGRICULTURE

- Growth Through Agriculture Act, coal severance tax allocation revised, HB 10; Ch. 12, Sp. L. August 2002; 15-35-108

AGRICULTURE, DEPARTMENT OF

- General appropriation, revision, HB 2; Ch. 23, Sp. L. August 2002
- Weed control program, general appropriation eliminated/reduced, HB 2; Ch. 23, Sp. L. August 2002

ALCOHOLIC BEVERAGES

- Agency liquor store commission rates, increase eliminated, SB 2
- Alcoholism, chemical dependency, and related illness — funding for treatment and for medicaid matching funds, restriction eliminated/revised, SB 1; HB 2; Ch. 21, Sp. L. August 2002; Ch. 23, Sp. L. August 2002; 53-24-108
- Public assistance, cash recipients — sanctions for conviction of criminal offense involving alcohol, SB 25

APPELLATE DEFENDER COMMISSION

- General appropriation, revision, HB 2; Ch. 23, Sp. L. August 2002

APPROPRIATIONS

- Capital projects appropriations, reductions, HB 9; HB 10; Ch. 12, Sp. L. August 2002; Ch. 20, Sp. L. August 2002
- Child and Family Services Division, reduction in general fund appropriation, HB 26
- City of Bozeman, reimbursement for accrued gaming revenue, HB 18; Ch. 13, Sp. L. August 2002
- General Appropriations Act of 2001, amendment, HB 2; Ch. 23, Sp. L. August 2002; HB 1(September 2002); Ch. 1, Sp. L. September 2002
- Justice, Department of — highway state special revenue account money to motor vehicle division, HB 22
- Legislative Branch, operation of special session, HB 1; Ch. 1, Sp. L. August 2002
- Montana Arts Council, cultural and aesthetic grants — lodging facility use tax, HB 8; Ch. 11, Sp. L. August 2002
- Public Health and Human Services, Department of — specific programs, from state special revenue account created from transfer of workers' compensation state fund excess funds, HB 30
- Statutory
 - dedicated school revenue fund/guarantee account, HB 7; Ch. 10, Sp. L. August 2002; 17-7-502, 20-9-622
 - economic development, office of — elimination, HB 15
 - gaming violation penalties, elimination, HB 18; Ch. 13, Sp. L. August 2002; 17-7-502
- Superintendent of public instruction, specific programs — from state special revenue account created from transfer of workers' compensation state fund excess funds, HB 30

ARTS AND CULTURE

Cultural and aesthetic grants, funding revised, HB 8; Ch. 11, Sp. L. August 2002; 15-65-121

Cultural and aesthetic projects, coal severance tax allocation revised, HB 10; Ch. 12, Sp. L. August 2002; 15-35-108

ATTORNEYS AT LAW

License tax, increase, HB 27

State law library user fee, imposition, HB 29

BALLOT ISSUES

Coal severance tax trust fund, constitutional amendment allowing reduction in amount dedicated to trust fund and dedication of amount to fund basic elementary and secondary school system, HB 32

Measure approved at August 2002 Special Session, allowing placement on ballot for november 2002 general election, HB 31

BUDGET AND PROGRAM PLANNING, OFFICE OF

Pay and benefit adjustments for state employees, HB 3; Ch. 2, Sp. L. August 2002

Revenue estimates for 2002-03 biennium, HJR 1; HJR 1, Sp. L. August 2002

CHEMICAL DEPENDENCY

Alcoholic beverage taxes used for funding treatment programs, restriction eliminated/revised, SB 1; HB 2; Ch. 21, Sp. L. August 2002; Ch. 23, Sp. L. August 2002; 53-24-108

CHILD SUPPORT

Handling fee for payment of support, charging obligor or obligee when and deposit provision revised, SB 11

CIGARETTES OR TOBACCO PRODUCTS

Public assistance, cash recipients — sanctions for conviction of criminal offense involving tobacco, SB 25

Tax on cigarettes, increase, SB 8, SB 12, SB 29, HB 23, HB 33

Tax on tobacco products, increase, HB 23

CLERK OF DISTRICT COURT

Fees, collection and allocation clarified, HB 18; Ch. 13, Sp. L. August 2002; 25-1-201, 46-23-1031

COAL TRUST FUNDS

Coal severance tax permanent fund, transfers to general fund and school flexibility account, SB 9

Coal severance tax trust fund, transfer to general fund, SB 7, SB 29

Constitutional amendment allowing reduction in amount dedicated to trust fund and dedication of amount to fund basic elementary and secondary school system, HB 32

COMMERCE, DEPARTMENT OF

Certified communities, coal severance tax allocation revised, HB 10; Ch. 12, Sp. L. August 2002; 15-35-108

Community development division, general appropriation — revision, HB 2; Ch. 23, Sp. L. August 2002

Elimination and allocating functions to other agencies, HB 28

General appropriation, revision, HB 2; Ch. 23, Sp. L. August 2002

Lodging facility use tax, See LODGING FACILITY USE TAX

CONSERVATION DISTRICTS

Coal severance tax, allocation revised, HB 10; Ch. 12, Sp. L. August 2002; 15-35-108

CONSTITUTION OF MONTANA, AMENDMENT

Coal severance tax trust fund, for reduction in amount dedicated to and dedication of amount to fund basic elementary and secondary school system, HB 32

CONSUMER COUNSEL

General appropriation, revision, HB 2

CORRECTIONAL FACILITIES

County reimbursement for holding new inmates, requirement eliminated, HB 25

Discharge of offenders on first day of month/offenders not serving sentence for sexual or violent offenses within 90 days prior to eligibility date and allowing discharge credit, SB 18

Excessive inmate population, early discharge, HB 2; HB 25; Ch. 23, Sp. L. August 2002

CORRECTIONS, DEPARTMENT OF

General appropriation, revision, HB 2; Ch. 23, Sp. L. August 2002

CRIME CONTROL, DIVISION OF

General appropriation, revision, HB 2; Ch. 23, Sp. L. August 2002

CRIMES

Sexual offender laws, revisions to conform to federal law, SB 17; Ch. 22, Sp. L. August 2002; 46-12-204, 46-18-202, 46-18-256, 46-23-502, 46-23-504, 46-23-506, 46-23-509

DEAF AND BLIND, MONTANA SCHOOL FOR THE

General appropriation, revision, HB 2; Ch. 23, Sp. L. August 2002

Telecommunications services and equipment for persons with disabilities, fund transfer to be used by school, SB 27; Ch. 18, Sp. L. August 2002; 53-19-306, 53-19-310

Workers' compensation state fund, excess funds transferred to offset funding reductions, SB 19

DISABILITIES, PERSONS WITH

Telecommunications services and equipment, fund transfer to be used by Montana school for the deaf and blind, SB 27; Ch. 18, Sp. L. August 2002; 53-19-306, 53-19-310

DISTRICT COURTS

Funding for operations revised, HB 2; Ch. 23, Sp. L. August 2002

DRUGS AND CONTROLLED SUBSTANCES AND DEVICES

Public assistance, cash recipients — sanctions for conviction of criminal offense involving dangerous drug, SB 25

ECONOMIC DEVELOPMENT, OFFICE OF

Coal severance tax, allocation revised, HB 10; Ch. 12, Sp. L. August 2002; 15-35-108
Elimination, HB 20

Statutory appropriation eliminated, HB 15

ENVIRONMENTAL QUALITY, DEPARTMENT OF

General appropriation, revision, HB 2; Ch. 23, Sp. L. August 2002

Reclamation and development grants, appropriations revised, HB 9; Ch. 20, Sp. L. August 2002

EXECUTIVE BRANCH

Salaries of officials, reduction for remainder of current fiscal year, HB 19

FEDERAL OR PRIVATE CONTRACTS AND GRANTS

Indirect cost reimbursement provisions revised, HB 21; Ch. 14, Sp. L. August 2002; 17-3-111

FISH, WILDLIFE, AND PARKS — DEPARTMENT OF

Capital projects appropriation, reduction, HB 9; Ch. 20, Sp. L. August 2002
Lodging facility use tax, funding from, HB 2
Parks, coal severance tax allocation revised, HB 10; Ch. 12, Sp. L. August 2002;
15-35-108
Parks Division, general appropriation reduced (and lodging facility use tax to fund),
HB 2; Ch. 23, Sp. L. August 2002
Resource indemnity trust fund interest income, allocation revised, HB 9; Ch. 20, Sp. L.
August 2002; 15-38-202

GAMBLING

City of Bozeman, appropriation for reimbursement of accrued gaming revenue, HB 18;
Ch. 13, Sp. L. August 2002
Video gambling machine tax, decrease on premises having five or fewer machines and
increase on premises having six or more machines, HB 17
Violation penalties, deposit revised and statutory appropriation eliminated, HB 18;
Ch. 13, Sp. L. August 2002; 17-7-502, 23-5-123, 23-5-136

GENERAL APPROPRIATIONS ACT OF 2001

Amendment, HB 2; Ch. 23, Sp. L. August 2002; HB 1(September 2002); Ch. 1, Sp. L.
September 2002

GOVERNOR

Appointments by, senate concurrence, SR 1, SR 2, SR 3, SR 4; SR 1, Sp. L. August 2002;
SR 2, Sp. L. August 2002; SR 3, Sp. L. August 2002; SR 4, Sp. L. August 2002
Economic Development, Office of
coal severance tax, allocation revised, HB 10; Ch. 12, Sp. L. August 2002; 15-35-108
elimination, HB 20
statutory appropriation eliminated, HB 15
General appropriation, revision, HB 2; Ch. 23, Sp. L. August 2002

HAIL INSURANCE

Fee payments, late — applicability of uniform provisions on penalty and interest, HB 18;
Ch. 13, Sp. L. August 2002; 80-2-230

HAZARDOUS WASTE MANAGEMENT

Hazardous waste/CERCLA special revenue account, resource indemnity trust fund
interest income — allocation revised, HB 9; Ch. 20, Sp. L. August 2002; 15-38-202
Remedial action upon release of hazardous substance, orphan share account
environmental quality protection fund, resource indemnity trust fund interest income
— allocation revised, HB 9; Ch. 20, Sp. L. August 2002; 15-38-202
general fund, transfers to, HB 9; Ch. 20, Sp. L. August 2002; 75-10-743
oil and natural gas production tax allocation revised, HB 10; Ch. 12, Sp. L. August
2002; 15-36-324

HIGHWAYS

Highway state special revenue account money, appropriation to motor vehicle division,
HB 22

HISTORICAL SOCIETY

General appropriation, revision, HB 2; Ch. 23, Sp. L. August 2002

HOUSING

Affordable housing revolving loan account, removing/limiting transfer authority of
TANF funds for and providing return transfer of specific funds to TANF, SB 6;
Ch. 15, Sp. L. August 2002

HYDROELECTRIC FACILITIES

Water use kilowatt-hour tax, SB 21

INVESTMENTS, BOARD OF

Cigarette sales tax revenue, contract with department of administration pledging repayment of amount transferred from coal severance tax trust fund, SB 29

JUDICIAL BRANCH

General appropriation, revision, HB 2; Ch. 23, Sp. L. August 2002

Pay and benefit adjustments for state employees, HB 3; Ch. 2, Sp. L. August 2002

JUSTICE, DEPARTMENT OF

General appropriation, revision, HB 2; Ch. 23, Sp. L. August 2002

Motor Vehicle Division

general appropriation reduction/elimination, HB 2; HB 22; Ch. 23, Sp. L. August 2002

highway state special revenue account money, appropriation from, HB 22

LABOR AND EMPLOYMENT

Payroll tax on employers and employees, SB 5

LABOR AND INDUSTRY, DEPARTMENT OF

Commissioner of, appointment — senate concurrence, SR 3; SR 3, Sp. L. August 2002

General appropriation, revision, HB 2; Ch. 23, Sp. L. August 2002

LAND USE PLANNING

County land planning funds, coal severance tax allocation

elimination, HB 18; Ch. 13, Sp. L. August 2002; 15-35-108, 90-1-108

revision, HB 10; Ch. 12, Sp. L. August 2002; 15-35-108

LEGISLATIVE BRANCH

Appropriation for operation of special session, HB 1; Ch. 1, Sp. L. August 2002

General appropriation, revision, HB 2; Ch. 23, Sp. L. August 2002

Pay and benefit adjustments for state employees, HB 3; Ch. 2, Sp. L. August 2002

LEGISLATIVE SERVICES DIVISION

Appropriation for operation of special session, HB 1; Ch. 1, Sp. L. August 2002

LEGISLATURE

Salary of legislators

limitation, HB 14

no entitlement during special session but allowed for presession business and per diem and mileage allowed during special session, HB 24

reduction for succeeding sessions, HB 19

LIBRARIES

Coal severance tax, allocation revised, HB 10; Ch. 12, Sp. L. August 2002; 15-35-108

State Law Library, user fee — imposition, HB 29

State Library equipment account, workers' compensation state fund excess funds transferred to, SB 19; Ch. 16, Sp. L. August 2002; 39-71-2352

LIVESTOCK

Per capita fees, penalty and interest fee for late payment and allowing negotiated fee for collection, HB 18; Ch. 13, Sp. L. August 2002; 15-24-921, 15-24-925

LIVESTOCK, DEPARTMENT OF

General appropriation, revision, HB 2; Ch. 23, Sp. L. August 2002

LOCAL GOVERNMENT

Entitlement share

clarification, HB 18; Ch. 13, Sp. L. August 2002; 15-1-121

payments, annual growth rate factor suspended, SB 10

LOCAL GOVERNMENT (Continued)**Levies**

business equipment tax rate reduction reimbursement, clarification, HB 18; Ch. 13, Sp. L. August 2002; 15-1-112

personal property tax revenue reduction, clarification of reimbursement, HB 18; Ch. 13, Sp. L. August 2002; 15-1-111

Sales tax and use tax allocation for reimbursement for certain property tax reductions, SB 31

LODGING FACILITY USE TAX

Fish, Wildlife, and Parks — Department of, funding of parks program for tourism-related purposes, HB 2

General fund, deposit requirement, HB 18; Ch. 13, Sp. L. August 2002; 15-65-121

Increase to 8% and deposit provisions revised, SB 4

Increase to 9% and deposit provisions revised, SB 12

Montana Arts Council, to fund, HB 2, HB 8; Ch. 11, Sp. L. August 2002; 15-65-121

Museum of the Rockies, to fund, HB 2

LONG-RANGE BUILDING PROGRAM

Coal severance tax, allocation revised, HB 10; Ch. 12, Sp. L. August 2002; 15-35-108

LOTTERY, STATE

General appropriation, reduction, HB 2; Ch. 23, Sp. L. August 2002

MALPRACTICE, CHIROPRACTIC LEGAL PANEL

General appropriation, reduction, HB 2

MANUFACTURED HOMES

Titling fee, deposit requirement revised, HB 18; Ch. 13, Sp. L. August 2002; 15-1-116

MARRIAGE

License recording fee, deposit provision revised, HB 18; Ch. 13, Sp. L. August 2002; 50-15-301

MEDICAID, See PUBLIC ASSISTANCE**MILITARY AFFAIRS, DEPARTMENT OF**

General appropriation, revision, HB 2; Ch. 23, Sp. L. August 2002

Youth challenge program, general appropriation — reduction, HB 2; Ch. 23, Sp. L. August 2002

MINES AND MINING, See also TAXATION, MINERALS

Federal mineral leasing funds, distribution revised/revising amount available for distribution, HB 11; Ch. 5, Sp. L. August 2002; 17-3-240

MONTANA ARTS COUNCIL

General appropriation, revision, HB 2; Ch. 23, Sp. L. August 2002

Lodging facility use tax, funding from, HB 2, HB 8; Ch. 11, Sp. L. August 2002; 15-65-121

MOTOR VEHICLES AND TRAFFIC REGULATIONS

Highway offense fines and forfeitures, disposition clarified, HB 18; Ch. 13, Sp. L. August 2002; 61-10-148, 61-12-701

Local option vehicle tax or fee

split between cities and counties, termination date eliminated, HB 18; Ch. 13, Sp. L. August 2002; 61-3-562

use and distribution clarified, HB 18; Ch. 13, Sp. L. August 2002; 61-3-537

Rental vehicle surcharge, establishment, SB 4, SB 12

Single movement permit fees, deposit provision revised, HB 18; Ch. 13, Sp. L. August 2002; 61-4-310, 61-4-311

MOTOR VEHICLES AND TRAFFIC REGULATIONS (Continued)

- State officers or employees, private vehicle use — reimbursement provisions revised, HB 6; Ch. 4, Sp. L. August 2002; 2-18-503
- State-owned vehicles, use and mileage reimbursement provisions revised, HB 6; Ch. 4, Sp. L. August 2002; 2-18-503
- Trailers and semitrailers registered through proportional registration agreement not subject to normal registration fee, HB 18; Ch. 13, Sp. L. August 2002; 61-3-321
- Transfer of interest, failure to apply for — deposit of penalty fee revised, HB 18; Ch. 13, Sp. L. August 2002; 61-3-201
- Transferred vehicle, late registration — deposit of penalties revised, HB 18; Ch. 13, Sp. L. August 2002; 61-3-317

MUSEUM OF THE ROCKIES

- Lodging facility use tax, funding from, HB 2

NATURAL RESOURCES AND CONSERVATION, DEPARTMENT OF

- General appropriation, revision, HB 2; Ch. 23, Sp. L. August 2002
- Reclamation and development grants, appropriations revised, HB 9; Ch. 20, Sp. L. August 2002

NOXIOUS WEEDS AND NOXIOUS WEED CONTROL

- Agriculture, Department of — control program appropriation eliminated, HB 2
- Resource indemnity trust fund, allocation eliminated/reduced/revised, HB 2; HB 9; Ch. 20, Sp. L. August 2002; Ch. 23, Sp. L. August 2002; 80-7-823

PACIFIC NORTHWEST ELECTRIC POWER AND CONSERVATION PLANNING COUNCIL

- Appointments to, SR 2; SR 2, Sp. L. August 2002

PARKS AND RECREATION

- Coal severance tax, allocation revised, HB 10; Ch. 12, Sp. L. August 2002; 15-35-108

POLITICAL PRACTICES, COMMISSIONER OF

- General appropriation, reduction, HB 2; Ch. 23, Sp. L. August 2002

PUBLIC ASSISTANCE

- County administrative fee for programs, elimination, HB 18; Ch. 13, Sp. L. August 2002; 53-2-207
- Criminal offense involving alcohol, tobacco, or dangerous drug — sanctions for cash recipients of assistance upon conviction, SB 25
- Medicaid
 - alcoholic beverage taxes used for matching funds for alcoholism and chemical dependency programs — restriction eliminated/revised, SB 1; HB 2; Ch. 21, Sp. L. August 2002; 53-24-108
 - circumcisions not medically necessary excluded from coverage, SB 24
- TANF funds, removing/limiting transfer authority of funds for affordable housing revolving loan account and providing return transfer of specific funds to TANF, SB 6; Ch. 15, Sp. L. August 2002
- Workers' compensation state fund, excess funds transferred to offset funding reductions to specific programs, SB 23, HB 30

PUBLIC EDUCATION, BOARD OF

- General appropriation, revision, HB 2; Ch. 23, Sp. L. August 2002
- Workers' compensation state fund, excess funds transferred to offset funding reductions, SB 19

PUBLIC HEALTH AND HUMAN SERVICES, DEPARTMENT OF

- Appropriation, HB 30
- Capital projects appropriation, reduction, HB 10; Ch. 12, Sp. L. August 2002

PUBLIC HEALTH AND HUMAN SERVICES, DEPARTMENT OF (Continued)

Child and Family Services Division, general fund appropriation — reduction, HB 26

Child support payments handling fee, charging obligor or obligee when and deposit provision revised, SB 11

Cigarette tax, temporary increase for funding social services, SB 8

Federal funds, refinancing of general fund services with and exempting from certain requirements, HB 26

General appropriation, revision, HB 2; Ch. 23, Sp. L. August 2002

Telecommunications interim universal access account balance, transfer of portion to, SB 26; Ch. 17, Sp. L. August 2002; 69-3-859, 69-3-861

Workers' compensation state fund, excess funds transferred to offset funding reductions to specific programs, SB 19, SB 23, HB 30; Ch. 16, Sp. L. August 2002; 39-71-2352

PUBLIC OFFICERS OR EMPLOYEES

Motor vehicles, state-owned vehicle use and reimbursement for use of private vehicles by state officers or employees — provisions revised, HB 6; Ch. 4, Sp. L. August 2002; 2-18-503

Pay and benefit adjustments for state employees, HB 3; Ch. 2, Sp. L. August 2002

PUBLIC SERVICE REGULATION, DEPARTMENT OF

General appropriation, revision, HB 2

RECLAMATION AND DEVELOPMENT GRANTS PROGRAM

Appropriations revised, HB 9; Ch. 20, Sp. L. August 2002

Metal mines license tax, allocation revised, HB 10; Ch. 12, Sp. L. August 2002; 15-37-117

Oil and natural gas production tax, allocation revised, HB 10; Ch. 12, Sp. L. August 2002; 15-36-324

Resource indemnity trust fund, transfer from and interest income allocation revised, HB 9; Ch. 20, Sp. L. August 2002; 15-38-202

RENEWABLE RESOURCE GRANT AND LOAN PROGRAM

Resource indemnity trust fund interest income, allocation revised, HB 9; Ch. 20, Sp. L. August 2002; 15-38-202

RESEARCH AND COMMERCIALIZATION

State special revenue account, coal severance tax transfers to — revision, SB 14; HB 5; Ch. 9, Sp. L. August 2002; 15-35-108

RESOLUTIONS

Governor's appointments, senate concurrence, SR 1, SR 2, SR 3, SR 4; SR 1, Sp. L.

August 2002; SR 2, Sp. L. August 2002; SR 3, Sp. L. August 2002; SR 4, Sp. L. August 2002

Revenue estimates for 2002-03 biennium, HJR 1; HJR 1, Sp. L. August 2002

REVENUE, DEPARTMENT OF

Customer service center supplemental appropriation, reversion to general fund, HB 2

General appropriation, revision, HB 2; Ch. 23, Sp. L. August 2002

REVENUE ESTIMATES FOR 2002-03 BIENNIUM, HJR 1; HJR 1, Sp. L. August 2002**SCHOOL FINANCE**

BASE budget, decrease in percentage of direct state aid and increase of percentage of guaranteed tax base aid, SB 3

Block grants, countywide retirement and transportation — correction, HB 18; Ch. 13, Sp. L. August 2002

Coal severance tax permanent fund, transfer to flexibility account, SB 9

Coal severance tax trust fund, constitutional amendment allowing reduction in amount dedicated to and dedication of amount to fund basic elementary and secondary school system HB 32

SCHOOL FINANCE (Continued)

- Dedicated school revenue fund in the special revenue fund, provision for, HB 4, HB 7
- Direct state aid, reduction required when, SB 20
- Guarantee account, fund designation changed, HB 7; Ch. 10, Sp. L. August 2002; 17-7-502, 20-9-342, 20-9-343, 20-9-622
- Levies
 - business equipment tax rate reduction reimbursement, clarification, HB 18; Ch. 13, Sp. L. August 2002; 15-1-112
 - personal property tax revenue reduction, clarification of reimbursement, HB 18; Ch. 13, Sp. L. August 2002; 15-1-111
- Property tax exemption for class 8 business equipment, apportionment and bond limitation adjustment for, SB 16
- Sales tax and use tax allocation to reduce property tax levies for state equalization aid, SB 31
- School technology fund, dedicated revenue temporarily eliminated, HB 4; Ch. 3, Sp. L. August 2002; 20-9-343, 20-9-534, 20-9-620
- Workers' compensation state fund, excess funds transferred
 - basic and per-anb entitlements, to fund, SB 19, SB 23
 - technology account and flexibility fund, to offset funding reductions, SB 19; Ch. 16, Sp. L. August 2002; 39-71-2352

STATE AUDITOR

- General appropriation, revision, HB 2; Ch. 23, Sp. L. August 2002

STATE DEBT COLLECTION SERVICE

- Internal service fund, transfer to general fund, HB 13; Ch. 7, Sp. L. August 2002; 17-4-106

STATE EMPLOYEES, See generally PUBLIC OFFICERS OR EMPLOYEES**STATE FINANCE**

- Federal or private contracts and grants, indirect cost reimbursement provisions revised, HB 21; Ch. 14, Sp. L. August 2002; 17-3-111

STATE GOVERNMENT

- Hiring freeze during fiscal year 2003, HB 12; Ch. 6, Sp. L. August 2002

STATE LAW LIBRARY

- User fee, imposition, HB 29

STATE LIBRARY

- Workers' compensation state fund, excess funds transferred to equipment account, SB 19; Ch. 16, Sp. L. August 2002; 39-71-2352

STATE LIBRARY COMMISSION

- General appropriation, revision, HB 2; Ch. 23, Sp. L. August 2002

SUPERINTENDENT OF PUBLIC INSTRUCTION

- General appropriation, revision, HB 2; Ch. 23, Sp. L. August 2002
- Workers' compensation state fund, excess funds transferred to offset funding reductions to specific programs, HB 30

SUPREME COURT

- Chief water judge, appointment — senate concurrence, SR 1; SR 1, Sp. L. August 2002

TAXATION, CORPORATIONS

- Deduction from income and license taxes for salaries or bonuses paid to officer of publicly traded corporation, elimination when, SB 22
- Federal special depreciation allowance, decoupling and providing for addback of amount and deduction of addback, SB 28

TAXATION, CORPORATIONS (Continued)

Qualified endowment contributions, temporary reduction in tax credit and in amount of maximum credit that can be claimed, SB 15; Ch. 24, Sp. L. August 2002; 15-31-161, 15-31-162

TAXATION, GENERAL PROVISIONS

Hydroelectric facilities, water use kilowatt-hour tax, SB 21

Payroll tax on employers and employees, SB 5

TAXATION, INDIVIDUAL INCOME

Federal special depreciation allowance, decoupling and providing for addback of amount and deduction of addback, SB 28

Qualified endowment contributions, temporary reduction in tax credit and in amount of maximum credit that can be claimed, SB 15; Ch. 24, Sp. L. August 2002; 15-30-166, 15-30-167

Sales tax and use tax allocation for distribution to certain taxpayers, SB 31

TAXATION, MINERALS

Coal severance tax, See also COAL TRUST FUNDS

allocation revised, HB 10; Ch. 12, Sp. L. August 2002; 15-35-108

county land planning, allocation eliminated, HB 18; Ch. 13, Sp. L. August 2002; 15-35-108, 90-1-108

research and commercialization state special revenue account, revision of transfers to, SB 14

Metal mines license tax

allocation revised, HB 10; Ch. 12, Sp. L. August 2002; 15-37-117

semiannual payment based upon current year production required, SB 30; Ch. 19, Sp. L. August 2002; 15-37-102, 15-37-103, 15-37-104, 15-37-105, 15-37-106, 15-37-108, 15-37-117

Oil and natural gas production tax, allocation revised, HB 10; Ch. 12, Sp. L. August 2002; 15-36-324

Resource indemnity trust and ground water assessment tax, resource indemnity trust fund

appropriation for specific purposes, HB 2

interest income, allocation revised, HB 2; HB 9; Ch. 20, Sp. L. August 2002; Ch. 23, Sp. L. August 2002; 15-38-202

noxious weed control, allocation eliminated/revised/reduced, HB 2; HB 9; Ch. 20, Sp. L. August 2002; Ch. 23, Sp. L. August 2002; 80-7-823

reclamation and development grants account, transfer to, HB 9; Ch. 20, Sp. L. August 2002; 15-38-202

TAXATION, PROPERTY

Class 8 business equipment, revisions, SB 16

Reimbursements

business equipment tax rate reduction, clarification, HB 18; Ch. 13, Sp. L. August 2002; 15-1-112

local governments and schools, to — clarification, HB 18; Ch. 13, Sp. L. August 2002; 15-1-111

Sales tax and use tax allocations for reimbursement for certain tax reductions and to reduce levies for school state equalization aid, SB 31

Software intangible property tax exemption, clarification, SB 13

TAXATION, SALES

Lodging facility use tax, See LODGING FACILITY USE TAX

Seasonal sales tax and use tax, imposition, SB 31

TELECOMMUNICATIONS SERVICES

- Disabilities, persons with — fund transfer to be used by Montana school for the deaf and blind, SB 27; Ch. 18, Sp. L. August 2002; 53-19-306, 53-19-310
- Interim universal access account, transferring portions of balance to general fund and department of public health and human services, SB 26; Ch. 17, Sp. L. August 2002; 69-3-859, 69-3-861

TRANSPORTATION, DEPARTMENT OF

- General appropriation, revision, HB 2
- State special revenue nonrestricted account, general fund transfers revised, HB 5; Ch. 9, Sp. L. August 2002; 15-1-122

TREASURY FUNDS AND ACCOUNTS

- Interentity loans, limitation in funds or accounting entities that are owed money by federal government or other third parties, HB 16; Ch. 8, Sp. L. August 2002; 17-2-107

UNIVERSITY SYSTEM

- Capital project appropriations, reduction, HB 10; Ch. 12, Sp. L. August 2002
- Federal or private contracts and grants, indirect cost reimbursement provisions — exception from revisions, HB 21; Ch. 14, Sp. L. August 2002; 17-3-111
- General appropriation, revision, HB 2; Ch. 23, Sp. L. August 2002
- Pay and benefit adjustments for state employees, HB 3; Ch. 2, Sp. L. August 2002
- Workers' compensation state fund, excess funds transferred to offset funding reductions, SB 19; Ch. 16, Sp. L. August 2002; 39-71-2352

WATER JUDGE, CHIEF

- Appointment, senate concurrence, SR 1; SR 1, Sp. L. August 2002

WEEDS AND WEED CONTROL, See NOXIOUS WEEDS AND NOXIOUS WEED CONTROL**WORKERS' COMPENSATION STATE FUND**

- Excess funds transferred to offset funding reductions for specific entities and funds, SB 19, SB 23, HB 30; Ch. 16, Sp. L. August 2002; 39-71-2352
- Study of structure, SB 19; Ch. 16, Sp. L. August 2002

